A030-5

Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 71 No. 10 October 1993

PAPER AND PAPERBOARD PRODUCTION: SEPTEMBER 1993
INCHING UPWARD

The seasonally-adjusted rate of paper and paperboard production edged upward from its July low, moving above 7 million tons per month in September, bringing the third quarter rate to 83.4 million tons per year. The September pace just about matched the year-to-date rate of 84.2 million tons per year, marking a 1.9% gain over its comparable 1992 performance.

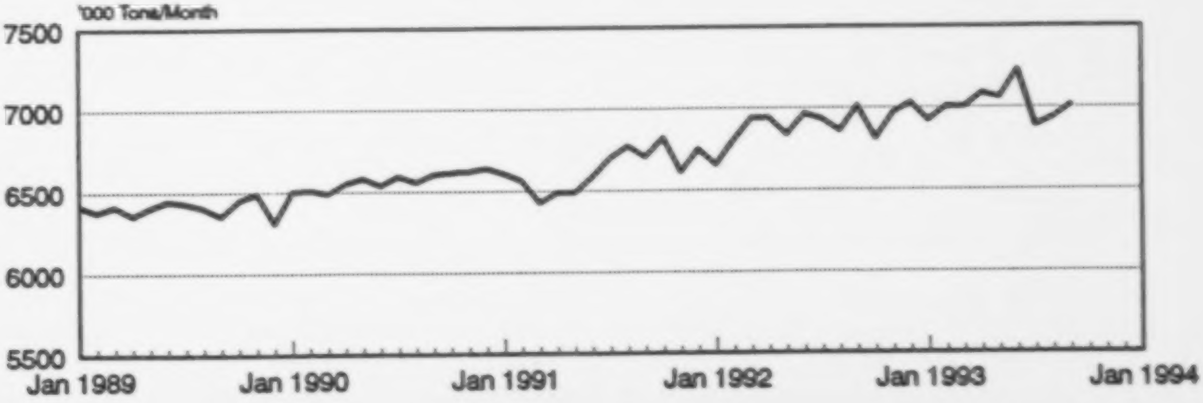
The bounce-back in paperboard production was somewhat stronger than for paper. The September rate, for example, was 2.6% ahead of the July lull, twice the increase registered by paper production. The year-to-date gains over the comparable 1992 period for both paperboard and paper differed only slightly, however, with paperboard up 2.0% and paper, 1.8%. Moreover, production levels for both sectors of the industry have been at record highs during 1993.

Shipments of chemical paper grade market pulp remained at their July-August lows in September. The 1993 year-to-date total was 2.9% below the comparable 1992 level.

The net capital stock of the paper and allied products industry totaled $87.8 billion in 1992, according to a recently-released Department of Commerce report. This represented 7.2% of the net capital stock of the total manufacturing sector. The value of shipments of paper companies in 1992 accounted for 4.5% of the manufacturing sector total, highlighting the industry's capital intensity.

TOTAL PAPER & PAPERBOARD PRODUCTION

seasonally adjusted



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Paper: Paper production remained essentially flat throughout the third quarter of 1993, with the seasonally adjusted rate averaging 40.7 million tons per year, down from the record-high 42.1 million tons per year rate sustained in the first half. The year-to-date rate, however, showed a 1.8% gain over the comparable 1992 level.

Newsprint shipments to the U.S. from all sources were up 2.6% through September, but overall third-quarter volumes lagged their year-ago level by 5.2%. Much of that softness reflected weakness in underlying demand, with third quarter consumption levels off an estimated 2.3% versus year-ago. Publishers stocks edged down by 31,000 tons during the third quarter of 1993, shaving approximately one percentage point off shipments.

U.S. shipments of newsprint lagged their year-ago level by 1% in the third quarter. However, shipments of newsprint from U.S. mills to the domestic market in that same period were off 4%, while export-related demand exceeded its year-ago level by 21.5%. The January-September totals, showed total shipments off 1.1% from year-ago levels, shipments to the domestic market down 1.7% and export related up by 3.0%.

U.S. shipments of the four major printing-writing paper grades posted a 2.3% year-to-date increase through September, with uncoated groundwood -- up 8.7% -- recording the strongest gain. Sharp increases in both new and unfilled orders in the month of September provide further evidence as to the strength of underlying demand for uncoated groundwood. New supply of uncoated groundwood (domestic shipments plus imports less exports) has outpaced domestic shipments so far this year, increasing 13.7% relative to year-ago during the first nine months of 1993. Increases in domestic shipments of uncoated groundwood during 1993 have largely gone to business forms and to the commercial printing aggregate.

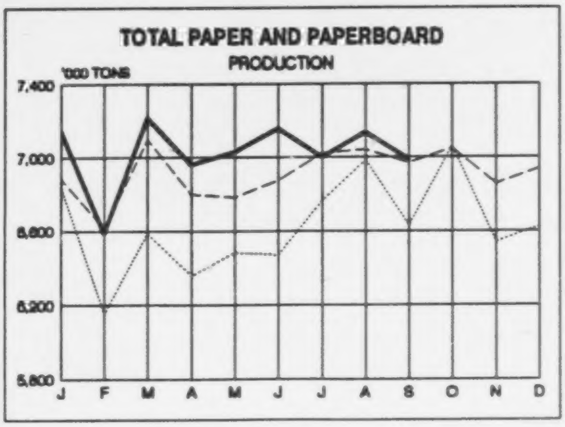
As was the case with respect to uncoated groundwood, economic weakness abroad also hampered exports and spurred imports of the other major printing-writing paper grades. In the case of coated groundwood, shipments rose just 0.4% so far this year, while new supply jumped 5.1%. Aggregate new supply for the four major printing-writing paper grades was up 5.3% through the first nine months of 1993, more than doubling the 2.3% growth rate recorded by domestic shipments.

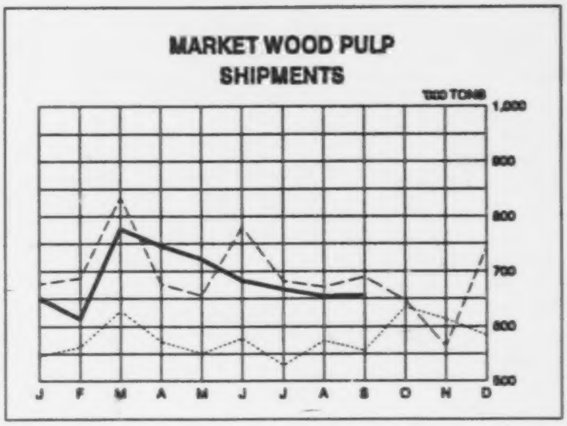
New supply of unbleached kraft papers was off 7.4% through September, with domestic shipments lagging by 5.2%. Weakness in the two largest grade categories -- grocer's bag and sack and multiwall sack -- more than offset gains in smaller categories such as "other bag and sack" and "other converting." Shipments of bleached kraft papers were off a milder 2% through the first nine months of this year. In contrast to the unbleached category, shipments of bleached grocer's bag and sack papers and bleached multiwall sack papers have actually gained ground this year.

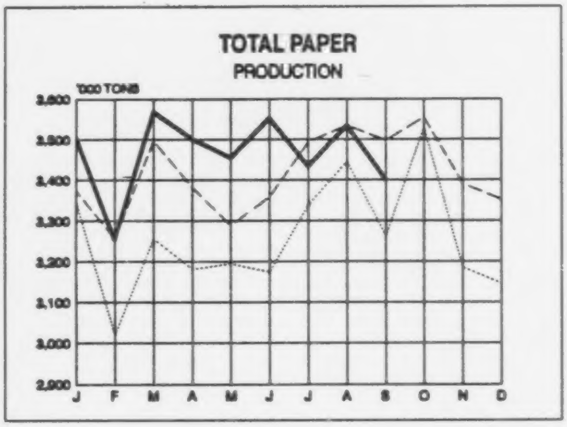
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		JUN 1993	JUL 1993	AUG (R) 1993	SEP (P) 1993	Annual Rate Y-T-D 1993	% Change From Same Period Last Year
	1991	1992						
PAPER								
Newsprint – Production	6,841	7,082	571	600	606	572	7,061	0.3
– Shipments	6,784	7,125	579	596	584	593	7,013	-1.1
Printing & Writing: Total Shipments	22,064	23,394	2,083	1,977	2,013	1,970	23,959	2.5
Groundwood Paper – Shipments	1,716	1,609	147	133	137	148	1,714	8.7
– New Orders	1,717	1,655	145	135	139	165	1,800	7.3
– Unshipped Orders	220	184	196	196	204	229	229	15.2
Coated Groundwood – Shipments	4,040	4,364	406	331	347	342	4,352	0.4
Coated Free Sheet – Shipments	3,319	3,755	337	339	358	335	3,890	4.1
Total Coated Papers – Shipments	7,358	8,119	743	670	706	677	8,242	2.1
– New Orders	7,342	8,151	629	659	676	666	8,139	-0.4
– Unshipped Orders	591	903	840	840	795	785	785	-16.5
Uncld Free Sheet – Shipments	11,504	12,170	1,060	1,050	1,044	1,008	12,417	1.6
– New Orders	11,497	12,293	1,048	1,055	1,039	1,011	12,613	1.9
– Unshipped Orders	690	720	784	797	788	811	811	20.4
Thin Papers – Shipments	197	175	11	11	10	14	155	-8.5
Cotton Fiber Paper – Shipments	142	159	13	13	14	14	164	0.5
Bleached Bristols – Shipments	1,146	1,163	109	101	103	107	1,267	7.5
Tissue Paper – Production	5,669	5,784	505	485	523	481	5,970	3.8
Total Packaging & Other Paper	4,509	4,713	395	370	392	377	4,611	-2.6
Unbl. Kraft Paper – Shipments	2,280	2,380	193	188	186	186	2,267	-5.2
Bl. Kraft Paper – Shipments	421	403	33	32	39	35	398	-2.0
Specialty Pkg. Paper – Production	637	687	60	56	61	57	705	2.8
Special Industrial Paper – Production	1,172	1,244	109	94	105	98	1,240	-0.8
TOTAL PAPER PRODUCTION – UNADJUSTED	39,082	40,973	3,553	3,433	3,533	3,399	41,600	1.7
TOTAL PAPER PRODUCTION – SEAS ADJ			3,636	3,382	3,394	3,410	41,632	1.8
PAPERBOARD – PRODUCTION								
Containerboard	28,048	29,357	2,506	2,498	2,483	2,485	29,537	0.9
Cont'bd For Dom Use for Fibre Boxes	24,484	25,746	2,237	2,228	2,202	2,207	26,192	2.1
Total Linerboard	17,006	17,785	1,548	1,557	1,504	1,542	18,198	2.6
Unbleached Kraft	16,213	16,850	1,432	1,436	1,378	1,406	16,744	-1.0
Solid Bleached	170	150	10	16	13	11	144	-5.2
Recycled	623	784	106	106	113	125	1,310	95.4
Corrugating Medium	7,479	7,961	689	672	698	665	7,994	0.9
Semichemical	5,487	5,722	498	480	512	473	5,739	0.5
Recycled *	1,992	2,239	191	191	186	192	2,256	2.0
Other Containerboard for Dom Use	301	345	33	28	24	28	328	-5.9
Containerboard for Export	3,263	3,267	236	244	257	251	3,017	-7.8
Boxboard	12,369	12,611	1,100	1,070	1,121	1,108	13,163	4.4
Boxboard for Packaging for Dom Use	7,326	7,390	645	625	663	649	7,719	4.1
Folding Boxboard	5,589	5,651	494	482	503	497	5,912	4.3
Solid Bleached	1,938	1,888	174	164	169	165	1,965	5.5
Unbleached Kraft	1,124	1,143	96	99	97	106	1,213	3.7
Recycled	2,526	2,620	224	219	238	226	2,734	3.7
Set-up Boxboard for Dom Use	275	283	25	24	28	24	299	2.7
Milk Carton & Food Service Dom Use	1,463	1,457	126	119	132	127	1,509	3.6
Other Boxboard for Domestic Use	3,990	4,158	366	354	366	377	4,371	5.9
Boxboard for Export	1,053	1,063	90	92	92	80	1,073	0.3
Paperboard Production by Furnish	40,416	41,968	3,606	3,569	3,604	3,591	42,700	1.9
Unbleached Kraft	20,960	21,658	1,808	1,821	1,768	1,793	21,404	-1.6
Semichemical	5,657	5,902	512	491	522	490	5,906	0.1
Solid Bleached Kraft	4,572	4,503	390	374	396	382	4,577	1.8
Recycled	9,227	9,906	897	884	918	926	10,813	10.9
Paperboard Production for Export	4,316	4329	326	336	349	331	4,090	-5.7
Unbleached Kraft	3,323	3,320	247	260	269	254	3,118	-6.0
Semichemical	170	180	14	10	10	16	168	-11.1
Bleached Kraft	743	756	56	59	63	57	725	-4.3
Recycled	80	72	8	7	8	4	79	3.5
TOTAL PAPERBOARD PRODUCTION – UNADJ	40,416	41,968	3,606	3,569	3,604	3,591	42,700	1.9
TOTAL PAPERBOARD PROD – SEAS ADJ			3,596	3,509	3,544	3,601	42,576	2.0
PAPER AND PAPERBOARD – UNADJ	79,499	82,941	7,159	7,001	7,137	6,990	84,300	1.8
PAPER AND PAPERBOARD – SEAS ADJ			7,232	6,891	6,938	7,011	84,209	1.9

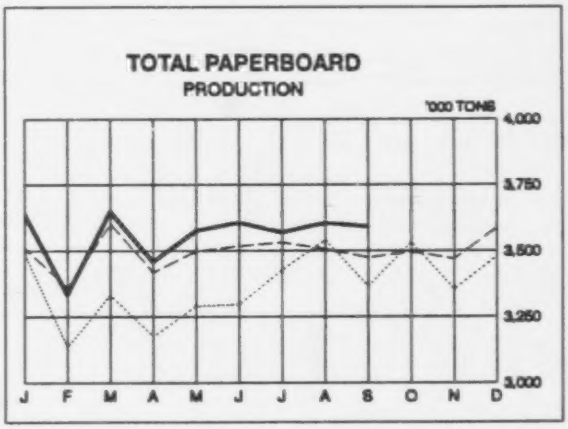
R – Revised P – Preliminary Seas. Adj. – Seasonally Adjusted Unadj. – Not Seasonally Adjusted

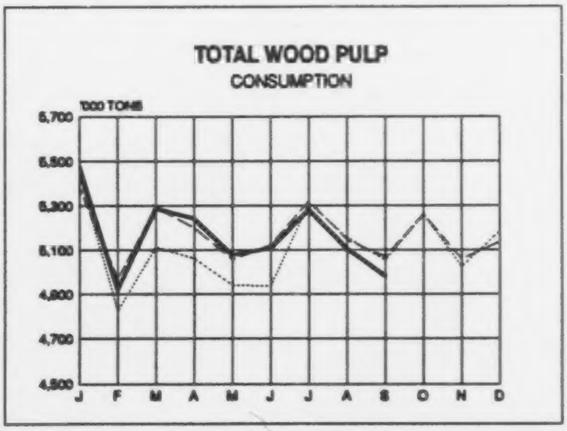
* Container Chip and Filler reclassified into Recycled Corrugating Medium

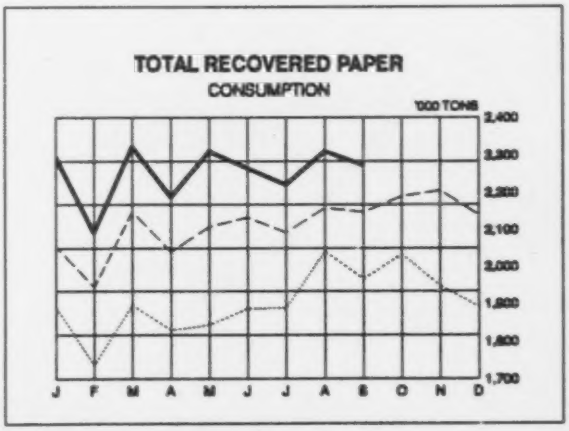

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

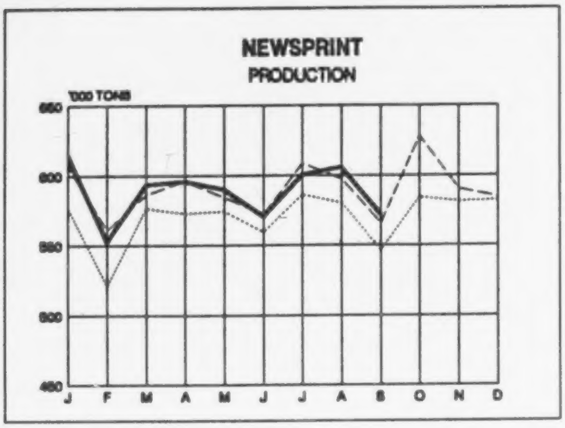
1991 .... 1992 —— 1993 ━━━━

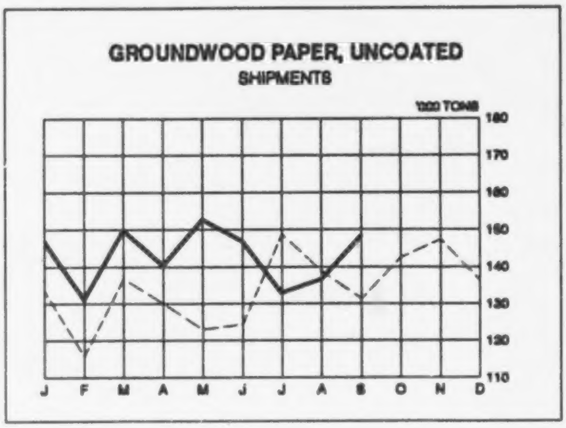
WOOD PULP STATISTICS (Thousands of Tons)		YEAR		IVQ	IQ	IIQ	IIIQ	Annual Rate Y-T-D	% Change From Same Period Last Year
		1991	1992	1992	1993	1993	1993	1993	
TOTAL WOOD PULP									
Total Wood Pulp	Production	62,266	63,960	15,859	15,723	15,647	15,515	62,514	-2.5
(Paper Grades)	Imports	4,824	4,882	1,260	1,400	1,274	1,407	5,441	12.7
	Exports	5,566	6,421	1,490	1,490	1,546	1,416	5,936	-9.7
	New Supply	61,524	62,421	15,629	15,633	15,285	15,506	61,898	-1.0
Paper Grades	Production	51,768	53,358	13,150	13,142	13,084	12,995	52,295	-2.5
Chemical Pulp	Imports	4,504	4,570	1,177	1,280	1,156	1,306	4,988	10.3
	Exports	5,516	6,321	1,447	1,453	1,511	1,399	5,817	-10.5
	New Supply	50,756	51,607	12,880	12,969	12,728	12,902	51,466	-0.3
Groundwood and	Production	6,404	6,501	1,704	1,576	1,555	1,516	6,196	-3.1
Thermo-Mech.	Imports	320	312	83	121	119	101	454	48.5
	Exports	50	100	43	38	35	17	119	56.3
	New Supply	6,673	6,713	1,744	1,659	1,639	1,600	6,531	-1.4
Semi-Chemical	Production	4,094	4,101	1,005	1,005	1,008	1,005	4,023	-2.5
	Imports								
	Exports								
	New Supply	4,094	4,101	1,005	1,005	1,008	1,005	4,023	-2.5
MARKET WOOD PULP									
Paper Grades	Production	7,660	8,670	2,125	2,030	2,048	2,048	8,168	-6.4
Chemical Pulp	Imports	2,816	2,946	726	792	736	780	3,077	4.0
	Exports	5,169	5,906	1,376	1,319	1,443	1,288	5,400	-10.6
	New Supply	5,307	5,709	1,475	1,504	1,340	1,540	5,845	3.5

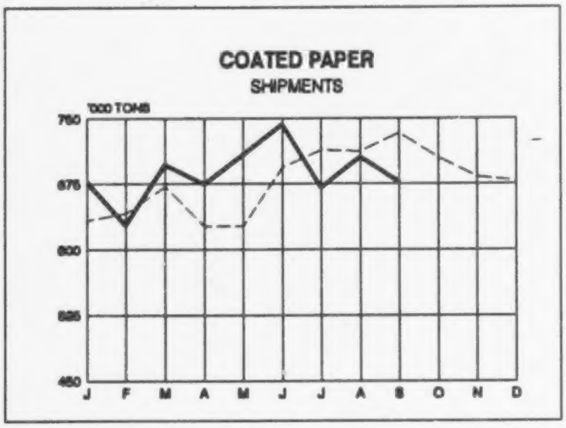
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

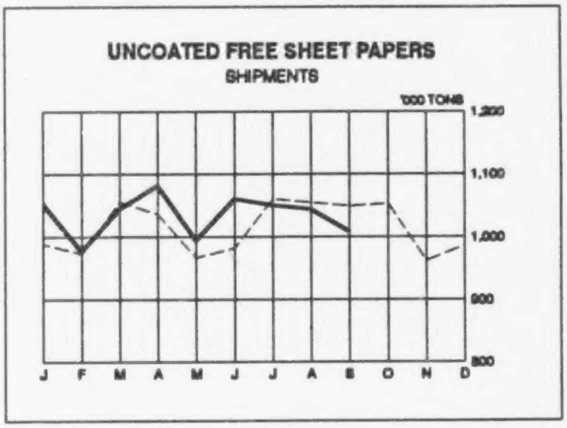
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		IVQ	IQ	IIQ	IIIQ	Annual Rate Y-T-D	% Change From Same Period Last Year
	1991	1992	1992	1993	1993	1993	1993	
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	84,146	87,366	21,991	22,391	22,190	22,173	89,005	2.1
Total Wood Pulp	61,301	62,011	15,458	15,683	15,429	15,370	61,975	-0.2
Recovered Paper	22,845	25,355	6,533	6,708	6,761	6,803	27,030	7.7
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	219	228	194	202	205	251	251	10.0
Producers' Market Inventories	518	710	882	872	769	839	839	18.1
Consumers' Purchased Inventories *	451	374	407	450	402	N.A	N.A	N.A
Recovered Paper at Paper & Bd. Mills	1,113	1,143	1,147	1,065	1,073	1,062	1,062	-7.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	23	41	41	38	32	N.A	32	N.A

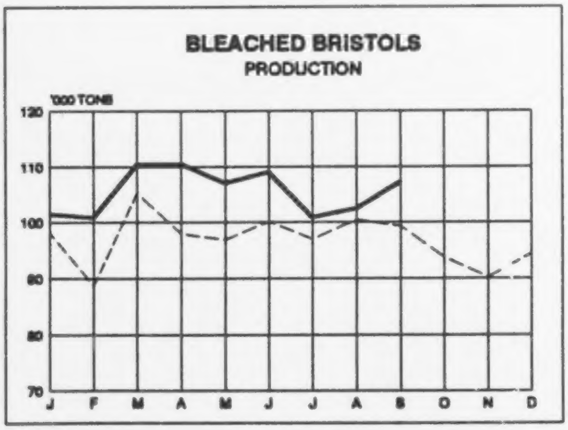
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA. N.A. - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

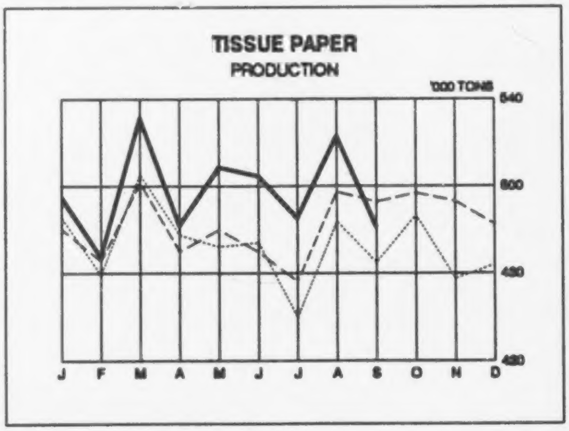












1991 .... 1992 —— 1993 ▬▬

FIBROUS RAW MATERIALS Thousands of Standard (128 Cu. ft.) Cords	YEAR 1991	YEAR 1992	May 1993	Jun 1993	Jul 1993	Aug 1993	ANNUAL RATE Y-T-D 1993	% CHANGE FROM SAME PD LAST YEAR
PULPWOOD								
Total U.S. – Total Receipts	98,869	103,891	8,547	8,633	8,984	8,928	118,085	16.1
– Total Consumption	98,242	104,596	8,851	8,672	8,863	8,616	118,421	14.7
– Residues *	34,097	39,784	3,576	3,495	3,694	3,809	48,486	28.6
– Inventories	5,658	5,314	4,846	4,983	5,103	5,457	5,457	1.8
So. Atlantic – Total Receipts	31,286	35,704	2,906	2,934	2,866	2,940	36,321	18.8
– Total Consumption	31,825	34,016	2,846	2,891	2,954	2,832	39,056	18.1
– Residues *	10,186	13,173	1,232	1,236	1,286	1,257	16,703	84.3
– Inventories	1,294	1,169	1,067	1,280	1,285	1,394	1,394	17.2
Northeast – Total Receipts	7,333	7,611	616	683	663	665	8,611	18.1
– Total Consumption	6,840	7,341	620	644	640	649	8,778	21.8
– Residues *	1,707	1,800	188	152	137	148	2,042	13.8
– Inventories	423	347	301	288	299	314	314	-8.8
South Central – Total Receipts	36,751	42,685	3,547	3,620	3,749	3,796	48,028	18.9
– Total Consumption	36,321	42,956	3,583	3,585	3,691	3,647	49,383	18.0
– Residues *	11,703	15,544	1,430	1,394	1,513	1,476	19,800	35.8
– Inventories	1,837	1,736	1,899	1,561	1,626	1,806	1,806	1.8
North Central – Total Receipts	7,207	7,310	557	607	611	619	8,283	14.5
– Total Consumption	7,313	7,339	627	631	576	611	8,361	16.3
– Residues *	1,197	1,139	84	85	87	89	1,188	2.5
– Inventories	925	813	713	682	713	694	694	-10.8
West – Total Receipts	14,082	12,701	922	939	995	918	12,927	-8.4
– Total Consumption	13,943	12,947	935	921	1,002	847	12,834	-8.3
– Residues *	9,324	8,128	642	628	661	639	8,756	4.9
– Inventories	1,419	1,219	1,166	1,164	1,178	1,249	1,249	-2.2

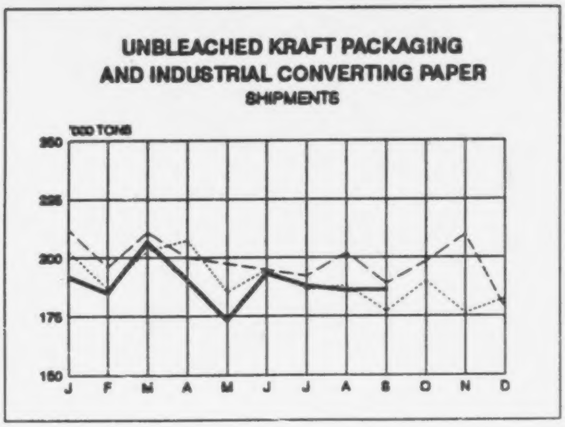
SOURCE: American Pulpwood Association

* – Consumption of Residues in cords equivalent

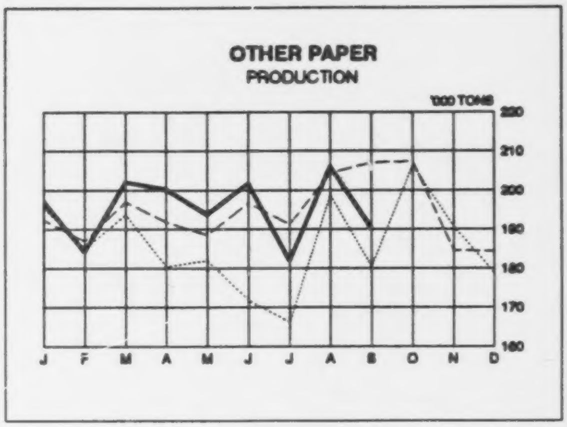
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA YEAR 1992 Tons	($000)	July 1993 Tons	($000)	August 1993 Tons	($000)	ANNUAL RATE Y-T-D 1993 Tons	% CHANGE FROM SAME PD LAST YEAR
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood chips	510,775	16,378	52,040	2,182	22,874	1,160	375,307	-30.2
Wood Pulp, Total	4,272,013	1,769,418	418,609	144,863	412,704	139,586	4,823,362	13.5
Waste Fibrous Materials, Total	124,916	23,340	8,372	1,228	8,770	1,106	125,850	7.2
Paper, Board & Products, Total	10,842,116	5,977,951	962,506	515,667	842,916	464,830	11,596,674	10.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	10,636,898	5,493,008	941,968	473,016	819,747	405,816	11,353,211	10.4
Paper, Paperboard & Products	10,661,734	5,947,813	951,870	513,001	832,429	461,972	11,479,419	11.5
Paper & Paperboard, Only	10,519,649	5,462,870	931,320	470,349	809,266	402,958	11,233,966	10.2
Paper, Total	9,679,643	5,130,294	851,005	441,008	730,650	373,563	10,344,162	10.6
Newsprint	7,249,235	3,585,746	613,971	287,405	586,829	273,240	7,770,228	11.9
Printing, Writing & Rel. Pap.	2,095,868	1,294,773	206,061	129,201	111,362	75,321	2,224,022	6.9
Pack. & Ind. Conv. Paper	216,420	131,427	18,114	10,842	16,634	11,539	204,744	-4.4
Special Industrial Paper	59,368	89,042	5,463	8,266	5,457	8,706	62,374	10.7
Tissue Paper	58,961	49,305	7,397	5,492	6,368	4,756	73,787	36.2
Paperboard, Total	840,006	332,576	80,315	29,341	78,596	29,396	889,804	6.7
Convtd Paper&Paperbd Products	203,216	484,943	20,550	42,652	23,168	49,014	245,463	25.5
Wet Machine Board	813	721	61	55	65	64	863	1.4
Construction Paper & Board	118,436	29,417	10,575	2,610	10,426	2,795	118,392	20.0

			EXPORTS TO CANADA					
Pulpwood, Roundwood (in cubic meters)	2,204,878	63,233	156,294	4,702	152,967	5,062	2,295,248	22.2
Pulpwood chips	364,094	18,539	24,795	1,140	36,705	1,419	317,378	-18.5
Wood Pulp, Total	444,074	145,064	19,677	6,697	21,860	8,588	329,186	-20.5
Cotton Pulp & Other Pulp	11,336	6,756	304	143	243	189	6,793	-41.2
Waste Paper	796,3[illegible]	115,834	97,302	11,201	102,707	11,603	1,194,290	58.6
Paper, Board & Products, Total	1,596,736	1,632,681	136,711	139,869	164,428	163,217	1,702,842	7.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	1,154,140	933,462	101,979	79,353	112,940	84,877	1,229,294	7.9
Paper, Paperboard & Products	1,587,697	1,628,318	136,128	139,662	163,572	162,934	1,696,338	8.1
Paper & Paperboard, Only	1,032,947	959,090	101,395	79,146	112,090	84,894	1,221,791	8.8
Paper, Total	667,226	696,351	58,257	57,341	55,858	55,886	684,014	8.8
Newsprint	34,556	17,241	1,925	897	678	320	18,350	-47.0
Printing, Writing & Rel. Pap.	495,673	490,145	41,895	39,244	37,707	36,497	488,804	-0.3
Pack. & Ind. Conv. Paper	60,287	43,517	4,020	2,984	5,093	3,984	55,496	-12.1
Special Industrial Paper	67,896	117,480	7,404	11,192	6,323	12,004	86,497	36.1
Tissue Paper	28,674	27,968	3,014	3,024	2,997	3,050	34,868	28.3
Paperboard, Total	455,677	282,748	43,138	21,805	56,232	28,709	537,777	20.4
Convtd Paper&Paperbd Products	444,595	669,219	35,732	60,516	41,482	68,340	474,547	7.1
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	11,039	4,363	684	207	858	283	6,603	-49.8

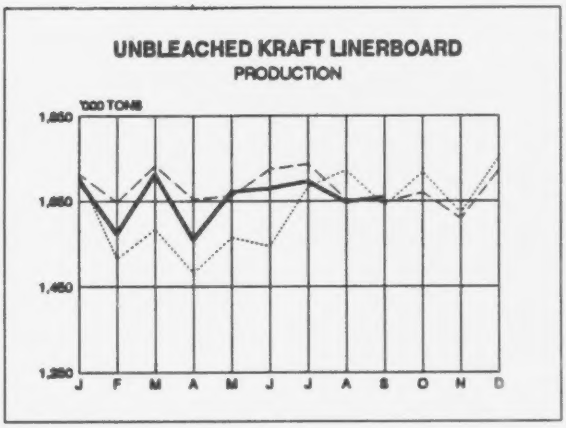
SOURCE: Bureau of Census, Department of Commerce



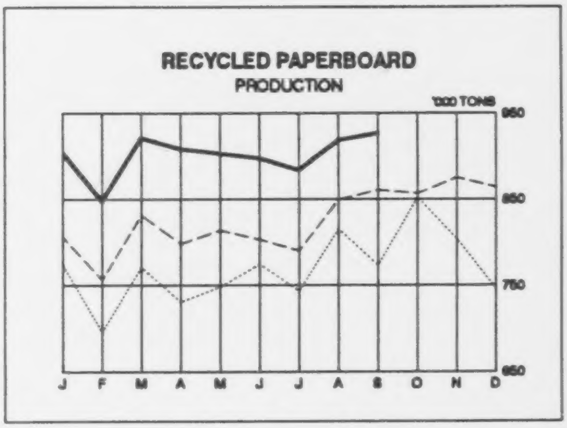
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS



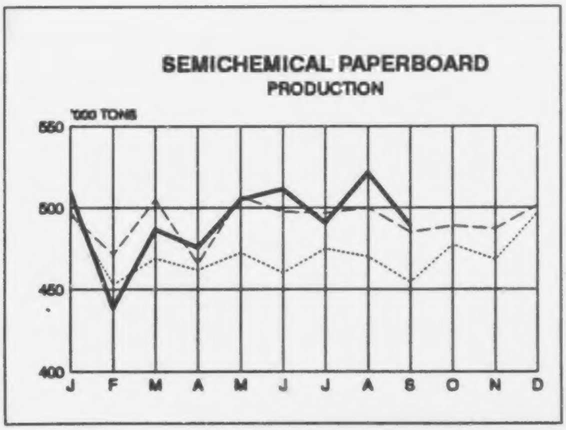
OTHER PAPER
PRODUCTION



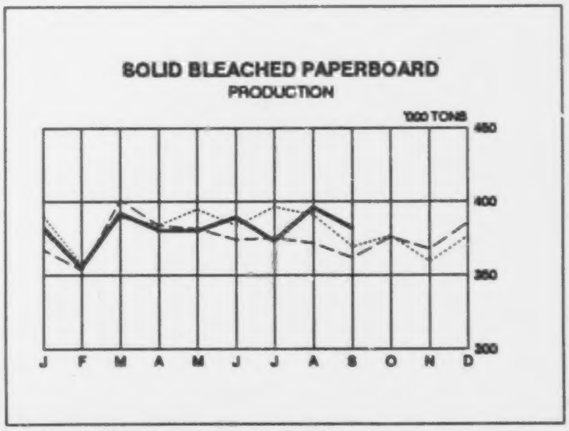
UNBLEACHED KRAFT LINERBOARD
PRODUCTION



RECYCLED PAPERBOARD
PRODUCTION



SEMICHEMICAL PAPERBOARD
PRODUCTION



SOLID BLEACHED PAPERBOARD
PRODUCTION

1991 .... 1992 —— 1993 ▬▬

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1992		July 1993		August 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	512,961	16,462	56,315	3,016	85,173	1,963	598,038	10.5
Total All Imports	17,731,961	10,028,236	1,674,488	898,535	1,642,858	880,254	19,513,639	13.2
Wood Pulp Total	5,029,302	2,094,236	496,409	169,280	466,215	157,678	5,518,671	10.9
Waste Paper	149,656	27,668	9,093	1,395	10,014	1,407	136,737	-12.0
Other Fibrous Materials	10,340	7,022	1,547	443	354	147	6,805	-15.8
Paper Board & Products Total	12,542,663	7,899,310	1,167,438	727,418	1,166,275	721,022	13,851,366	14.5
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	12,112,101	6,754,223	1,124,469	620,159	1,120,892	610,764	13,379,709	14.5
Paper Ppbd & Prds ex Cnst&WMB	12,405,877	7,856,513	1,155,627	723,582	1,154,288	716,864	13,714,027	14.4
Paper & Paperboard Only	11,975,314	6,710,426	1,112,658	616,324	1,108,906	606,606	13,242,371	14.4
Paper Total	11,031,198	6,296,038	1,019,297	577,553	1,012,703	566,979	12,199,889	14.8
Newsprint	7,339,583	3,598,986	617,177	288,795	606,038	278,633	7,945,692	12.9
Printing & Writing	3,173,198	2,100,089	359,395	238,414	364,629	237,695	3,776,326	22.6
Uncoated Groundwood	1,418,885	859,708	149,519	87,392	156,305	88,639	1,622,449	18.8
Coated Print.& Impreg. Pap.	830,064	608,376	117,441	84,672	104,468	78,138	1,090,059	37.1
Uncoated Free Sheet	802,147	500,413	78,977	52,167	92,623	59,447	940,785	21.7
Thin (except Cigarette)	11,821	15,303	581	1,108	501	775	7,575	-38.5
Bristols	110,290	116,289	12,877	13,076	10,732	10,695	115,459	1.8
Total Pkg & Other Paper	452,286	541,617	35,078	44,662	34,631	45,132	400,906	-13.3
Unbleached Kraft Paper	228,001	106,122	15,993	8,221	15,706	8,255	173,604	-28.4
Other Pkg. & Indust. Paper	224,285	435,495	19,086	36,441	18,926	36,877	227,302	3.5
Tissue	66,130	55,346	7,647	5,682	7,405	5,519	76,965	28.2
Paperboard, Total	944,117	414,388	93,361	38,770	96,202	39,627	1,042,481	11.9
Kraft Paperboard	176,950	68,644	17,698	6,702	19,632	7,849	203,372	18.3
Semi-Chemical Corrugating	148,131	36,790	24,866	5,782	22,478	5,039	243,498	77.4
Other Paperboard	619,036	308,954	50,797	26,287	54,092	26,739	595,611	-4.4
Convtd Paper&Paperbd Products	430,562	1,145,087	42,969	107,259	45,383	110,258	471,657	15.4
Paper Products, Total	304,048	891,733	32,182	85,049	32,280	84,603	336,107	16.7
Paperboard Products, Total	126,515	253,353	10,787	22,209	13,103	25,656	135,550	12.4
Wet machine Board	933	816	61	55	65	64	984	1.3
Construction Paper & Board E	135,853	42,981	11,750	3,781	11,922	4,094	136,354	24.4
Notes								
Other: No Weight Avail. ($000)		151,879		17,259		16,994	162,325	10.6
Total Imports Incl. Other($000)		10,180,113		915,794		897,248	10,676,381	7.6

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1992		July 1993		August 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood, Roundwood (cubic meters)	2,252,713	63,909	156,294	4,702	170,909	6,327	2,366,376	22.1
Pulpwood Chips	5,651,111	474,425	490,325	37,488	342,596	28,078	4,996,143	-10.6
Total All Exports	22,756,589	10,241,859	1,658,439	742,005	1,816,178	788,029	21,464,850	-5.8
Wood Pulp,Total	7,222,258	3,114,419	466,100	174,877	562,309	193,970	6,590,516	-11.2
Cotton Pulp and Other Pulp	115,956	92,001	5,356	4,600	8,612	6,773	120,662	7.9
Waste and Old Paper	6,447,655	643,516	473,743	41,126	491,617	42,305	5,827,082	-8.0
Paper, Board & Products,Total	8,970,720	6,391,924	713,241	621,401	753,640	644,980	8,926,589	0.1
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,559,285	4,305,067	585,379	330,094	626,984	352,283	7,373,992	-1.9
Paper, Ppbd & Prod ex Cnst&WMB	8,946,054	6,379,472	711,361	620,450	750,810	643,648	8,899,836	0.1
Paper & Paperboard, Only	7,534,619	4,292,615	583,499	329,143	624,156	350,950	7,347,239	-1.9
Paper, Total	2,635,060	2,061,388	206,421	164,623	235,511	180,917	2,561,736	0.3
Newsprint	1,022,756	467,357	85,773	42,502	106,739	60,415	957,323	-5.7
Printing & Writing	1,158,188	1,022,740	84,985	75,569	87,218	79,561	1,151,093	4.0
Uncoated Groundwood	116,020	82,732	9,625	6,327	10,025	7,137	111,956	-8.5
Clay Coated Paper	360,797	304,699	22,299	19,303	28,350	23,588	346,331	5.0
Uncoated Free Sheet	448,985	446,094	35,685	36,399	29,790	33,139	438,155	2.7
Other Printing & Writing	232,386	189,215	17,376	13,541	19,053	15,696	254,651	12.0
Total Pkg. & Other Paper	381,842	483,062	30,485	39,733	35,940	43,308	384,215	4.5
Unbleached Kraft	141,105	73,814	11,082	5,519	12,664	6,302	129,378	-8.5
Other Pkg. & Indust. Paper	240,736	409,247	19,402	34,214	23,276	37,006	254,838	13.5
Tissue	72,274	88,230	5,178	6,819	5,615	7,633	69,105	3.8
Paperboard, Total	4,899,559	2,231,227	377,078	164,519	388,643	170,033	4,785,503	-3.0
Solid Wood Pulp	4,657,574	2,094,365	355,757	153,178	366,031	157,832	4,504,447	-4.2
Total Linerboard	3,224,393	1,107,369	238,451	74,694	237,813	72,599	2,890,368	-11.0
Bleached Kraft Linerboard	65,602	37,914	970	1,098	745	541	13,073	-85.5
Unbleached Kraft Linerbd	3,158,792	1,069,456	237,482	73,596	237,068	72,058	2,877,295	-8.9
Other Unbleached Kraft	398,633	211,163	40,605	21,497	44,580	23,961	541,011	29.4
Other Bleached Kraft	958,949	751,904	70,655	54,943	77,016	58,841	978,174	2.3
Semi-Chemical Corrugating	75,598	23,928	6,046	2,044	6,622	2,430	94,894	16.8
Recycled Paperboard	241,985	136,882	21,321	11,341	22,612	12,202	281,056	20.6
Convtd Paper&Paperbd Products	1,411,436	2,086,857	127,862	191,307	126,656	192,698	1,552,597	10.8
Paper Products, Total	638,804	1,347,561	59,400	124,724	59,625	125,329	684,845	8.1
Paperboard Products, Total	772,632	739,295	68,462	66,583	67,031	67,369	867,752	13.0
Wet Machine Board	883	289	0	0	114	62	863	-29.9
Construction Paper & Board E	23,783	12,164	1,880	952	2,716	1,271	25,891	-1.3
Notes								
Other: No Weight Avail. ($000)		77,411		8,825		7,201	85,349	12.4
Total Exports Incl. Other($000)		10,319,270		750,829		795,230	9,666,405	-6.4

SOURCE: Bureau of Census, U.S. Department of Commerce. E – Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year–To–Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR		JUN 1993	JUL 1993	AUG 1993	SEP 1993	Annual Rate Y-T-D 1992	% Change from same Period Last Year
	1991	1992						
Pulp, Paper and Products except Building Grades	129.8	129.2	127.8	127.4	127.1	126.7	127.8	-1.1
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.9	129.4	127.9	127.6	127.3	126.9	127.9	-1.2
Total Wood Pulp	119.2	118.9	106.9	103.7	102.4	102.1	106.0	-11.0
Total Paper	127.0	123.2	124.1	124.7	124.6	124.4	123.8	0.5
Writing Paper, exc. Newsprint	124.8	120.2	120.8	121.8	121.6	121.8	120.4	-0.0
Newsprint	120.9	110.0	112.8	112.7	112.6	111.0	112.4	2.1
Total Paperboard	130.2	134.3	129.3	128.7	127.6	127.9	130.0	-3.2
Total Paper and Paperboard *	128.0	126.7	125.7	126.0	125.5	125.5	125.7	-0.7
Converted Products	134.8	134.8	134.0	133.3	133.3	132.5	133.9	-0.7
Waste Paper	121.3	117.4	119.7	116.4	114.8	112.6	121.2	4.5
All Commodities	116.5	117.2	119.6	119.3	118.8	118.7	118.9	1.7
Industrial Commodities	116.5	117.4	120.0	119.5	118.9	118.8	119.1	1.7

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

NET STOCK OF FIXED CAPITAL
($ Billions)

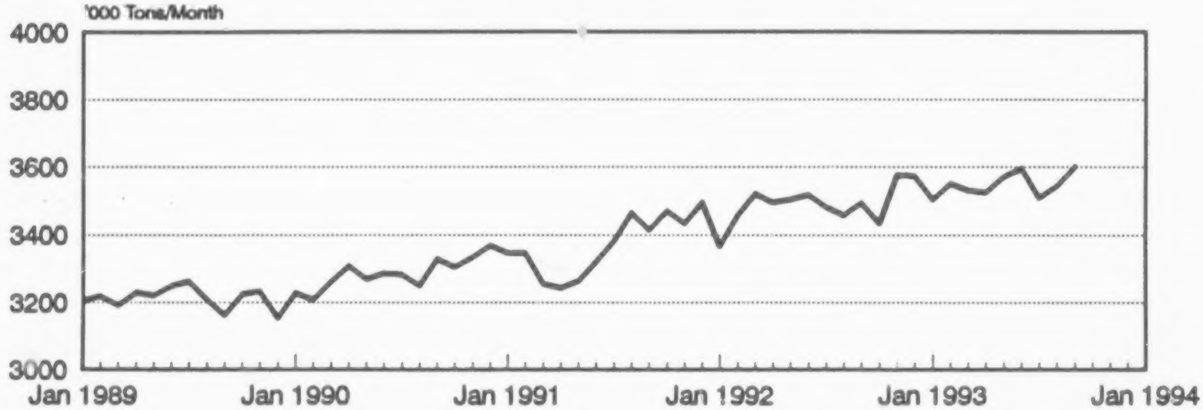
	1989	1991	1992
Lumber & Wood Products	***20.8***	***21.2***	***20.8***
Furniture & Fixtures	10.6	11.2	11.2
Stone, Clay & Glass Products	29.8	29.9	29.8
Primary Metal Industries	92.3	95.1	95.2
Fabricated Metal Products	63.7	66.6	65.8
Industrial Machinery & Equipment	106.9	113.8	115.1
Electronic & Other Electric Equipment	95.3	105	107.1
Motor Vehicles & Equipment	58.5	63.7	64.7
Other Transportation Equipment	54	58.8	60.8
Instruments & Related Products	43.9	49.2	50.7
Miscellaneous Manufacturing Indutries	9.7	10.4	10.7
Durable Goods	**585.5**	**624.9**	**631.9**
Food & Kindred Products	98.2	111.6	119
Tobacco Manufactures	8.4	8.4	8.2
Textile Mill Products	24.8	26	26.2
Apparel and Other Textile Products	9.7	9.9	9.9
Paper & Allied Products	***74.3***	***85.8***	***87.8***
Printing & Publishing	45.4	51.7	53.3
Chemicals & Allied Products	140.4	163.6	175.5
Petroleum & Coal Products	64	68.3	69.6
Rubber & Misc. Plastics Products	35.7	39.9	41.8
Leather & Related Products	2	2	1.9
Nondurable Goods	**502.8**	**567.2**	**593.2**
All Manufacturing	**1088.3**	**1192.1**	**1225.1**
Lumber & Wood Products as % of Manufacturing	1.9%	1.8%	1.7%
Paper & Allied Products as % of Manufacturing	6.8%	7.2%	7.2%
Total Wood Products as % of Manufacturing	**8.7%**	**9.0%**	**8.9%**

Source: Survey of Current Business, September 1993, Department of Commerce

Paperboard: The seasonally adjusted rate of paperboard production grew 2.0% from its 1992 level during the first nine months of 1993, with the third quarter total 2.4% above its year-ago rate. Paperboard production for export fell 5.7% in the January-September 1993 period. The rate of decline intensified during the July-September period, with the third quarter total off more than 9% relative to year-ago. Tonnage declines were most severe in the unbleached kraft grades, where a loss of 6% was recorded in the 1993 nine-month figure and 10.9% in third quarter.

PAPERBOARD PRODUCTION

seasonally adjusted



While the year-to-date linerboard production gain has just moved above the 1% mark, increases in demand from the domestic market brought this year's third quarter total 2.4% ahead of last year's third quarter results.

Production of corrugating medium continued to exhibit the same flat trend it has all year, showing growth of only 0.6% over 1992 in the first nine months of 1993. Exports of corrugating medium picked up a bit in September, but the year-to-date total was still off 11.7%.

Producers continued to draw steadily from inventory, reducing their holdings by almost 121,000 tons between August and September alone. This brought total weeks of supply down to 4.8 weeks - a low not previously seen since October 1991. Containerboard inventories have consistently been below 1992 levels since the beginning of the year.

Year-to-date box plant shipments continued their momentum, with the total 3.2% over the comparable the 1992 figure. Even more impressive is the third quarter 1993 performance, which was up 5.0% relative to the same period last year.

At 4.6%, the gain in third quarter production of boxboard for packaging for domestic use was slightly higher than the 4.1% year-to-date gain over 1992. Solid bleached boxboard third quarter comparisons show no increase over 1992 levels, although the year-to-date total was up a solid 5.5%.

The largest contribution to the third quarter growth in this segment came from unbleached kraft folding boxboard, which rose nearly 8.5%. While the year-to-date boxboard for export total was .3% above 1992, third quarter levels were up 2.6%.

FIBROUS MATERIALS

Shipments of chemical paper grade market pulp in 1993 have generally been below year-ago levels, with the nine-month 1993 total off 2.9%. The third quarter 1993 rate was 8% below that of the second quarter; in 1992 third quarter shipments were 3% below the second quarter total.

The 1993 year-to-date decline in shipments was concentrated in the export market, where a decline of 10.6% from the nine-month 1992 figure was recorded. Shipments to the domestic market, however, posted a 16% increase, bring domestic share of the total to 34%, from 29% in the year-ago period.

CAPITAL STOCK IN THE WOOD PRODUCTS INDUSTRY

Recently published Commerce Department data place the 1992 net capital stock of the U.S. manufacturing sector at $1,225 billion, up 12.6% relative to 1989's level (see table at bottom of page 10). On a constant dollar basis, the manufacturing sector's net capital stock expanded 7.1% between 1989 and 1992, or at an average annual rate of 2.3%.

The 1992 net capital stock of the paper and allied products industry was reported at $87.8 billion, comprising 7.2% of the manufacturing sector's overall capital stock.

The paper industry's capital base has expanded much more rapidly than that of total manufacturing during recent years. In particular, it rose 18.2% on a current-dollar basis between 1989 and 1992 and 10.8% on a constant-dollar basis, or about half again as fast as the same measure for all manufacturing.

Comparison of capital stock with other measures of input highlight the capital intensive nature of the paper industry. For example, the industry's ratio of dollar shipments to capital stock in 1992 was 1.50, compared to 2.40 for all manufacturing. Similarly, each paper industry employee is supported by $128,000 of capital, versus an average of $68,000 per employee in the manufacturing sector at large.

The capital stock of the lumber and wood products industry was reported to at $20.8 billion in 1992. The wood products industry (solid wood and paper) had a combined capital stock of $108.6 billion in 1992, which accounted for 8.9% of the all manufacturing total.

MONTHLY STATISTICAL SUMMARY INSERT
VOL. 71, NO. 10
OCTOBER, 1993

PRODUCTION

(000 TONS)	(P) SEPTEMBER 1993	(R) AUGUST 1993	SEPTEMBER 1992	FIRST NINE MONTHS 1993	FIRST NINE MONTHS 1992	% CHANGE YR TO DATE 1993/1992
PAPER GRADES						
Newsprint	572	606	565	5,296	5,278	0.3
Printing & Writing	1,970	2,013	2,043	17,969	17,537	2.5
Uncoated Groundwood (s)	148	137	131	1,286	1,183	8.7
Coated Groundwood (s)	342	347	389	3,264	3,250	0.4
Coated Free Sheet (s)	335	358	344	2,918	2,802	4.1
Total Coated Paper (s)	677	706	733	6,182	6,053	2.1
Uncoated Free Sheet Paper (s)	1,008	1,044	1,049	9,313	9,169	1.6
Thin Paper (s)	14	10	16	116	127	-8.5
Cotton Fiber Paper (s)	14	14	14	123	122	0.5
Bleached Bristols (s)	107	103	99	950	884	7.5
Tissue Paper	481	523	493	4,477	4,312	3.8
Total Pkg & Other Paper	377	392	396	3,458	3,550	-2.6
Unbl. Kraft Paper (s)	186	186	189	1,700	1,794	-5.2
Bl. Kraft Paper (s)	35	39	36	299	305	-2.0
Specialty Pkg. Paper	57	61	60	529	515	2.8
Special Industrial Paper	98	105	112	930	937	-0.8
TOTAL PAPER	3,399	3,533	3,497	31,200	30,678	1.7
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,793	1,768	1,766	16,053	16,310	-1.6
Unbleached Kraft Linerboard *	1,659	1,647	1,646	14,897	15,171	-1.8
Other Unbl. Kraft Paperboard	133	121	119	1,156	1,139	1.5
Semichemical Paperboard	490	522	485	4,430	4,425	0.1
Bleached Paperboard	382	396	362	3,433	3,372	1.8
Recycled Paperboard	926	918	861	8,110	7,310	10.9
TOTAL PAPERBOARD	3,591	3,604	3,473	32,025	31,417	1.9
TOTAL PAPER AND PAPERBOARD	6,990	7,137	6,970	63,225	62,096	1.8

(000 SHORT TONS)	SEPTEMBER 1993	AUGUST 1993	SEPTEMBER 1992	FIRST NINE MONTHS 1993	FIRST NINE MONTHS 1992	% CHANGE YR TO DATE 1993/1992
U.S. MARKET PULP SHIPMENTS						
Total	656	654	689	6,169	6,352	-2.9%
Total Sulfate	645	639	672	6,031	6,168	-2.2%
Bleached Sulfate	631	625	660	5,880	6,041	-2.7%
Softwood	387	364	413	3,554	3,589	-1.0%
Hardwood	244	261	247	2,326	2,452	-5.1%
Unbleached	14	14	12	151	127	18.9%
Sulfite, Bleached and Unbleached	12	16	17	139	184	-24.6%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	4,983	5,104	5,068	46,481	46,553	-0.2%
Recovered Paper	2,273	2,310	2,147	20,273	18,822	7.7%

* Includes all unbleached kraft paperboard exports

(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
260 Madison Avenue
New York, New York 10016

INDUSTRY DATA November 12, 1993	1991	1992	1993	1993 R	1993 P	Ann. Rt. ytd '93	% Chg. 93/92
PAPER & PAPERBOARD — Tons (000)			Jul	Aug	Sep		
Total Production (AFPA)..........: excluding :..........................	79,499	82,941	7,001	7,137	6,990	84,300	1.8
Total Seasonally Adjusted..........: construction :..........................			6,891	6,938	7,011	84,209	1.9
Imports (including Products).......: and wet :.....E..........................	12,074	12,406	1,156	1,154	1,160	13,737	14.
Exports (including Products).......: machine :.....E..........................	8,311	8,946	711	751	730	8,885	-1.2
Apparent Consumption...............: grades :.....E..........................	83,261	86,401	7,336	7,341	7,440	89,061	3.9
Paper Production % Tonnage Capacity..........................	89.3	91.1	89.4	92.5	91.5	92.9	
Paperboard Production % Tonnage Capacity..........................	93.6	95.4	95.2	96.8	99.1	97.4	
PAPER, PAPERBOARD & PRODUCTS			Jul	Aug	Sep		
Imports.....:Including Construction and :.....E..........................	12,167	12,543	1,167	1,166	1,172	13,875	14.0
Exports.....: WMB Grades (excl. HPB) :.....E..........................	8,331	8,971	713	754	733	8,912	-1.2
Market Wood Pulp Shipments – Tons (000)..........................	701	8,305	608	654	656	8,226	-2.9
Wood Pulp Imports – Tons (000).....E..........................	409	4,882	487	462	458	5,441	12.7
Wood Pulp Exports – Tons (000).....E..........................	500	6,421	419	512	465	5,936	-9.7
Raw Materials Consumption – Tons (000)							
Recovered Paper..........................	20,956	23,216	2,221	2,310	2,273	27,030	21.6
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	96,242	104,596	8,863	8,729	8,547	105,413	1.9
Employment (000)			Jul	Aug	Sep		
Paper and Allied Products..RS.......Total..........................	687.9	687.3	684.3	683.1	680.8	681.4	-0.9
Pulp, Paper and Board Mills..RS.....Total..........................	244.3	238.8	236.3	234.1	233.0	234.6	-2.0
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS..........................	12.72	13.07	13.50	13.41	13.68	13.37	2.6
Pulp, Paper Mills.......RS..........................	15.66	16.19	16.86	16.77	17.16	16.62	3.1
Paperboard Mills.......RS..........................	15.71	16.24	16.80	16.68	17.16	16.68	3.3
New Plant & Equip. Expenditures, Paper & Allied Prod.			IVQ '92	IQ '93	IIQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	11.50	10.53	10.60	10.60	10.27	10.56 Y	0.2
Index of Output per Man–Hour (1982=100)			Jul	Aug	Sep		
:in Pulp, Paper:...Production Workers..........................	128.6	137.6	139.9	142.8	140.0	141.3	2.8
:and Board Mills:...All Employees..........................	128.4	137.5	139.8	142.2	140.5	141.1	2.8
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	128,757	131,282	10,724	10,664	10,856	129,511	-1.3
Pulp, Paper and Paperboard*	53,660	53,442	4,362	4,311	4,309	52,249	-2.3
Inventories (End of Period) – Total Industry*	13,544	13,387	13,596	13,714	13,612	13,612	-0.7
Pulp, Paper and Paperboard*	5,493	5,535	5,719	5,779	5,792	5,792	0.8
Paper & Allied Products Companies (Million $)			IVQ '92	IQ '93	IIQ '93		
Sales (Corporations Only)..........................	122,969	127,562	31,873	31,865	33,187	130,104	3.8
Earnings (Corporations Only)..........................	2,164	1,213	121	686	814	3,000	309.8
Depreciation (Corporations Only)..........................	6,504	6,974	1,771	1,800	1,868	7,336	5.6
Net Worth (Corporations Only)..........................	48,642	47,520	47,520	47,873	47,838	95,711	1.1
Price Indexes (Bureau of Labor Statistics) 1982=100			Jul	Aug	Sep		
Pulp, Paper & Products, ex. Building Grades..........................	129.8	129.2	127.4	127.1	126.7	127.8	-1.1
Wood Pulp..........................	119.2	118.9	103.7	102.4	102.1	106.0	-11.0
Waste Paper..........................	121.3	117.4	116.4	114.8	112.6	121.2	4.5
Paper..........................	127.0	123.2	124.7	124.6	124.4	123.8	0.5
Paperboard..........................	130.2	134.3	128.7	127.6	127.9	130.0	-3.2
Paper Demand (Indexed: 1987=100)			Jul	Aug	Sep		
Total Paper Production *..........................	105.9	110.8	109.9	110.3	110.8	112.8	1.8
Paper New Supply *..........................	99.6	102.5	104.6	104.0	105.0	106.5	4.7
Demand Indicators – (Weighted Average) *..........................	101.6	101.0	100.8	100.9	101.0	101.1	0.3
Production of Nondurable Goods..RS........*....(21.2%)..........................	104.1	106.5	106.9	107.0	107.1	106.8	1.1
Disposable Income..........................*....(23.9%)..........................	107.3	110.4	111.7	113.0	113.2	111.9	2.1
Total Printing and Publishing..RS..........*....(54.9%)..........................	96.8	95.0	93.8	93.2	93.3	94.3	-0.9
Paperboard Demand (Indexed: 1987=100)			Jul	Aug	Sep		
Total Paperboard Production *..........................	108.0	111.9	112.5	113.6	115.4	113.7	2.0
Production for Domestic Use ......E..........................	105.4	109.6	111.2	111.9	114.6	112.4	2.9
Demand Indicators – (Weighted Average) *..........................	104.0	106.5	109.7	109.7	109.8	109.7	3.5
Production of Consumer Goods..RS........*....(62.06%)..........................	102.8	105.2	107.5	107.2	107.2	107.7	3.0
Production of Equipment..RS...................*....(5.75%)..........................	108.9	112.7	120.8	121.3	122.2	119.9	7.5
Production of Materials..RS...................*....(32.19%)..........................	105.5	107.9	112.0	112.4	112.5	111.6	3.8
Market Data			Jul	Aug	Sep		
Newsprint Consumption (SAAR) – Tons (000)...R......E..........................	12,565	12,799	12,798	12,643	12,236	12,806	0.1
Newspaper Pub. and Printing Empl. Total(000)..........................	459	451	453	453	453	452	0.2
Magazine Advertising Pages (PIB, Inc.)	160,224	164,181	9,983	11,429	15,803	158,149	-0.5
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales..........................	49,297	48,039	4,381	4,639	4,628	39,687	10.3
Inventories (End of Period)..........................	3,954	4,203	5,564	5,427	5,384	5,384	28.2
Fibre Box Data (Fibre Box Association)			Jul	Aug	Sep		
Fibre Box Shipments (Million square feet)..........................	320,106	335,696	29,718	30,358	29,672	348,931	3.2
Container'bd inventory at Mill & Plant (000 Tons)..........................	2,670	2,918	2,844	2,715	2,594	2,594	-9.8
Retail Trade (Billion $)							
Total Retail Sales *..........................	1,865	1,956	173.4	174.3	174.4	2,057	6.2
Nondurable Goods Stores Sales *..........................	1,212	1,253	108.2	108.0	108.8	1,294	4.0
General Economic Data			Jul	Aug	Sep		
Total Industrial Production (Index 1987 = 100)*..........................	104.1	106.5	110.7	110.9	111.0	110.3	4.1
Producer Prices (All Commodities, Index: 1982=100)..........................	116.5	117.2	119.3	118.8	118.7	118.9	1.7
Consumer Prices (All Items–Urban Con.) (1982–4=100)..........................	136.2	140.3	144.4	144.8	145.1	144.0	3.0
Gross Domestic Product – Annual Rate (Billion$) *			IQ '93	IIQ '93	IIIQ '93		
G.D.P. or Expenditure – Current $..........................	5,722.9	6,038.5	6,261.6	6,327.6	6,396.3	6,328.5	5.7
G.D.P. or Expenditure – 1987 $..........................	4,861.4	4,986.3	5,078.2	5,102.1	5,138.0	5,106.1	3.0
Paper & Paperboard Consumption – Pounds per Capita	659	677				693	
N.M. = Not Meaningful. R = Revised RS = Revised Series E = May est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.							

A1630-5

Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 71 No. 11 November 1993

PAPER AND PAPERBOARD PRODUCTION: JANUARY-OCTOBER 1993

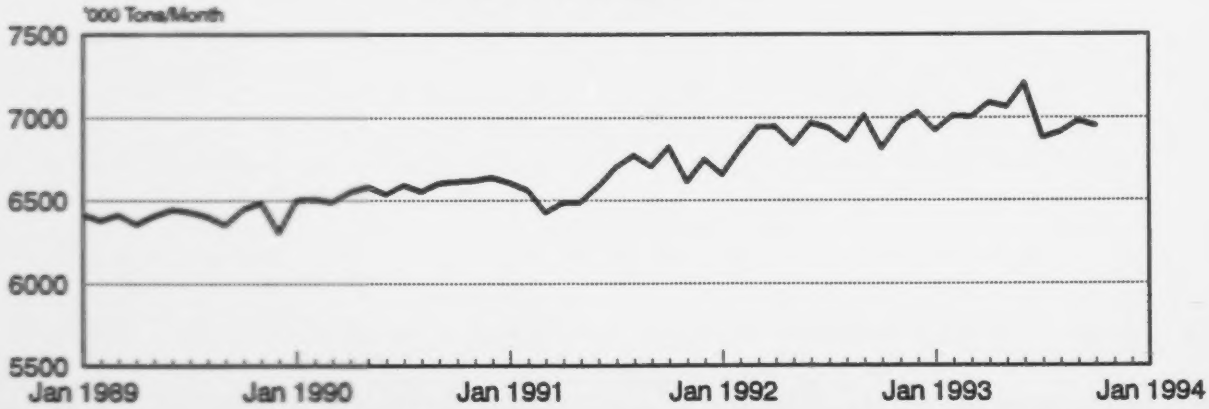
The rate of paper and paperboard production, which had inched upward from its July 1993 low during August and September, moved down a notch in October (see chart below). While the year-to-date rate of 84.0 million tons per year was 1.8% over the comparable 1992 level, the trend during the July-October period, an annual rate of 81.5 million tons, was below the 1992 level. If production remains at its current rate for the remainder of the year, the 1993 total will still, however, be at a record high of 83.6 million tons, 0.8% above the 1992 high.

The paper and paperboard production rates moved in opposite directions in October 1993, with paperboard moving up and paper edging down. The increases in paperboard were concentrated in the recycled grades. Gains in printing-writing, tissue and specialty packaging paper grades were offset by weakness in the other packaging grades and in newsprint.

These lower rates of output were reflected in the earnings of paper and allied products companies in the third quarter of 1993. Twenty-eight companies, which account for two-thirds of industry sales, reported a combined third quarter 1993 after-tax earnings, before extraordinary charges, at less than half their year-ago rate; after these charges, which were largely the result of changes in tax regulations, earnings were barely positive. The 29th company normally included in our table took a huge special charge, bringing the after-charge total for all 29 companies to a negative $2 billion .

World capacity to produce paper and paperboard, as reported in the latest Food and Agricultural survey, is expected to slow to an annual rate of 2.3% during the 1993 - 1996 period. Increases in North America are likely to be below those of the European and Nordic countries. While the highest growth rates are indicated for the developing market countries, these too have, for the most part, slowed drastically from rates evident in the 1987 - 1992 years.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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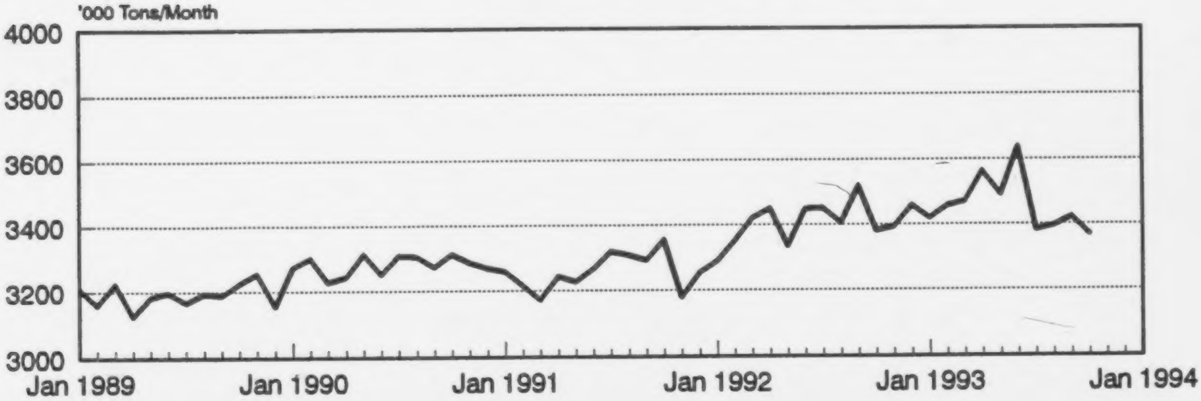
Paper: Production of paper in October 1993 held to the flat trend it has followed since mid-year, holding the July-October average some 3% below the first half 1993 high. The ten-month 1993 rate was 41.5 million tons per year, 1.6% above the comparable 1992 level. Strength in printing-writing and tissue papers was partially offset by declines in production of the packaging and industrial grades.

PAPER PRODUCTION
seasonally adjusted



Newsprint markets have been generating mixed signals of late, depending on the indicator and specific time frame being examined. Total shipments of newsprint to the U.S. from all sources -- i.e., domestic, Canadian, and overseas mills -- exceeded their year-ago volume by 1.6% during the first ten months of this year, while ad lineage figures for publicly held newspaper organizations were up 3.2% through September. On the other hand, total shipments of newsprint to the domestic market trailed their year-ago level by 3.2% in the August-October period.

U.S. shipments of newsprint lagged their year-ago level by 1.3% through the first ten months of the year, but by only by 0.4% in the August-October period relative to the comparable three months of 1992. Domestic mills operated at 96.4% of capacity in the first ten months of this year, virtually equalling the Canadian rate of 96%. In 1992, by contrast, U.S. mills operated at 97.2% of capacity, while Canadian mills registered an 89% operating rate.

Total U.S. demand for the four major printing-writing paper grades (coated and uncoated free sheet and coated and uncoated groundwood) grew a robust 5.0% relative to its year-ago level during the first ten months of 1993, but domestic shipments, hurt by rising imports and sagging exports, gained just 1.9%.

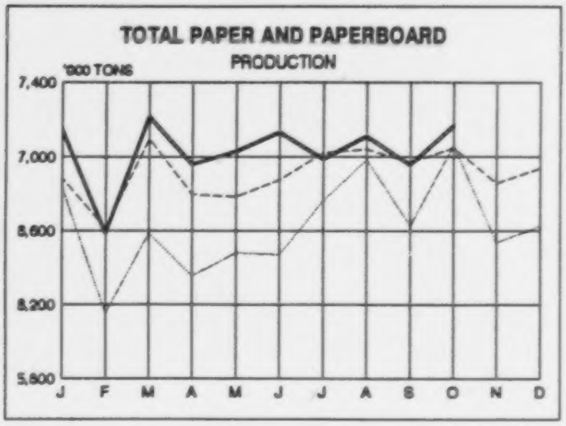
This overall demand strength appears to reflect a somewhat better climate for white collar employment and advertising. On the advertising front, newspaper insert lineage exceeded its year-ago level by 6.7% through August, while third class mail volume, a proxy for direct mail advertising demand, was up 6.2% through the third quarter.

Demand for uncoated groundwood paper exhibited the strongest gain, with shipments up 9.2% through October and new supply ahead by an even stronger 12.7%. U.S. imports of uncoated groundwood, which accounted for 57.5% of new supply last year, rose 16.5% through September.

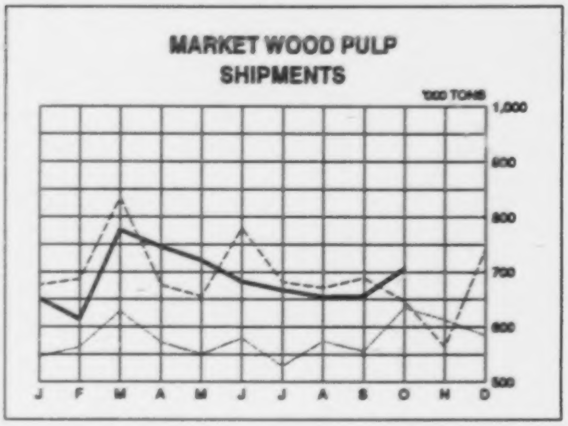
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		JUL	AUG	SEP (R)	OCT (P)	Annual Rate Y-T-D	% Change From Same Period Last Year
	1991	1992	1993	1993	1993	1993	1993	
PAPER								
Newsprint – Production	6,841	7,082	600	606	572	609	7,086	0.0
– Shipments	6,784	7,125	596	584	593	598	7,029	-1.3
Printing & Writing: Total Shipments	22,064	23,394	1,977	2,013	1,969	2,014	23,978	2.2
Groundwood Paper – Shipments	1,716	1,609	133	137	148	161	1,736	9.2
– New Orders	1,717	1,655	135	139	164	170	1,823	7.1
– Unshipped Orders	220	164	171	177	188	225	226	4.3
Coated Groundwood – Shipments	4,040	4,364	331	347	342	333	4,317	-0.6
Coated Free Sheet – Shipments	3,319	3,755	339	358	335	340	3,910	3.9
Total Coated Papers – Shipments	7,358	8,119	670	706	677	674	8,227	1.5
– New Orders	7,342	8,151	661	676	666	656	8,122	-1.2
– Unshipped Orders	591	903	841	795	793	779	779	-17.9
Unctd Free Sheet – Shipments	11,504	12,170	1,050	1,044	1,008	1,037	12,419	1.2
– New Orders	11,497	12,293	1,052	1,039	1,010	1,017	12,536	1.3
– Unshipped Orders	690	720	685	677	680	684	684	-2.7
Thin Papers – Shipments	197	175	11	10	14	14	156	-10.0
Cotton Fiber Paper – Shipments	142	159	13	14	14	14	164	1.6
Bleached Bristols – Shipments	1,146	1,163	101	103	107	114	1,277	8.8
Tissue Paper – Production	5,669	5,784	485	523	481	518	5,995	3.9
Total Packaging & Other Paper	4,509	4,713	370	392	389	395	4,638	-2.3
Unbl. Kraft Paper – Shipments	2,280	2,380	188	186	186	187	2,265	-5.3
Bl. Kraft Paper – Shipments	421	403	32	39	35	37	402	-1.0
Specialty Pkg. Paper – Production	637	687	56	61	60	66	718	3.7
Special Industrial Paper – Production	1,172	1,244	94	105	108	105	1,253	-0.4
TOTAL PAPER PRODUCTION – UNADJUSTED	39,082	40,973	3,432	3,533	3,411	3,536	41,697	1.5
TOTAL PAPER PRODUCTION – SEAS ADJ			3,382	3,394	3,422	3,368	41,524	1.6
PAPERBOARD – PRODUCTION								
Containerboard	28,048	29,357	2,486	2,455	2,441	2,506	29,457	0.7
Cont'bd For Dom Use for Fibre Boxes	24,484	25,746	2,217	2,171	2,179	2,222	26,136	2.0
Total Linerboard	17,006	17,785	1,550	1,489	1,514	1,552	18,165	2.6
Unbleached Kraft	16,213	16,850	1,428	1,364	1,378	1,424	16,703	-1.0
Solid Bleached	170	150	16	13	11	12	144	-4.5
Recycled	623	784	106	113	125	116	1,317	94.1
Corrugating Medium	7,479	7,961	667	682	666	670	7,971	0.6
Semichemical	5,487	5,722	476	496	474	481	5,715	0.1
Recycled *	1,992	2,239	191	186	192	189	2,257	1.9
Other Containerboard for Dom Use	301	345	24	23	25	23	315	-8.8
Containerboard for Export	3,263	3,267	245	262	237	260	3,006	-8.6
Boxboard	12,369	12,611	1,070	1,121	1,106	1,126	13,198	4.5
Boxboard for Packaging for Dom Use	7,326	7,390	625	663	649	643	7,719	4.3
Folding Boxboard	5,589	5,651	482	503	497	500	5,920	4.4
Solid Bleached	1,938	1,888	164	169	165	165	1,966	4.3
Unbleached Kraft	1,124	1,143	99	97	106	97	1,208	5.4
Recycled	2,526	2,620	219	238	226	238	2,746	4.1
Set-up Boxboard for Dom Use	275	283	24	28	24	31	306	4.4
Milk Carton & Food Service Dom Use	1,463	1,457	119	132	127	112	1,492	3.8
Other Boxboard for Domestic Use	3,990	4,158	354	366	377	388	4,400	5.7
Boxboard for Export	1,053	1,063	92	92	80	95	1,080	1.2
Paperboard Production by Furnish	40,416	41,968	3,556	3,576	3,547	3,632	42,655	1.8
Unbleached Kraft	20,960	21,658	1,810	1,750	1,753	1,818	21,335	-1.7
Semichemical	5,657	5,902	489	511	485	493	5,883	-0.2
Solid Bleached Kraft	4,572	4,503	374	396	382	371	4,564	1.5
Recycled	9,227	9,906	884	918	926	950	10,872	10.9
Paperboard Production for Export	4,316	4329	337	354	317	356	4,087	-6.2
Unbleached Kraft	3,323	3,320	258	267	245	273	3,109	-6.7
Semichemical	170	180	12	15	11	12	169	-11.0
Bleached Kraft	743	756	59	63	57	65	731	-3.9
Recycled	80	72	7	8	4	5	78	4.4
TOTAL PAPERBOARD PRODUCTION – UNADJ	40,416	41,968	3,556	3,576	3,547	3,632	42,655	1.8
TOTAL PAPERBOARD PROD – SEAS ADJ			3,497	3,517	3,558	3,582	42,484	1.9
PAPER AND PAPERBOARD – UNADJ	79,499	82,941	6,989	7,110	6,958	7,168	84,352	1.7
PAPER AND PAPERBOARD – SEAS ADJ			6,879	6,911	6,979	6,949	84,008	1.8

R – Revised P – Preliminary Seas. Adj. – Seasonally Adjusted Unadj. – Not Seasonally Adjusted

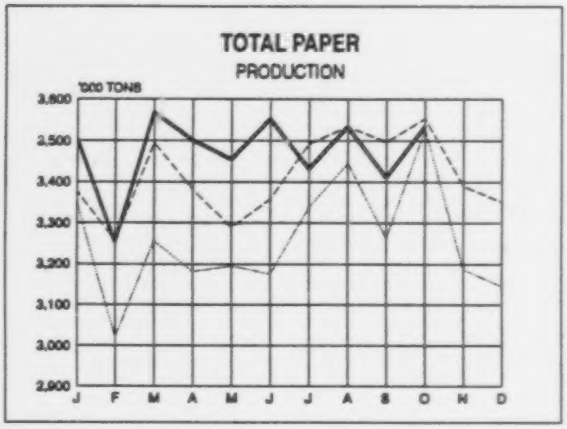
* Container Chip and Filler reclassified into Recycled Corrugating Medium



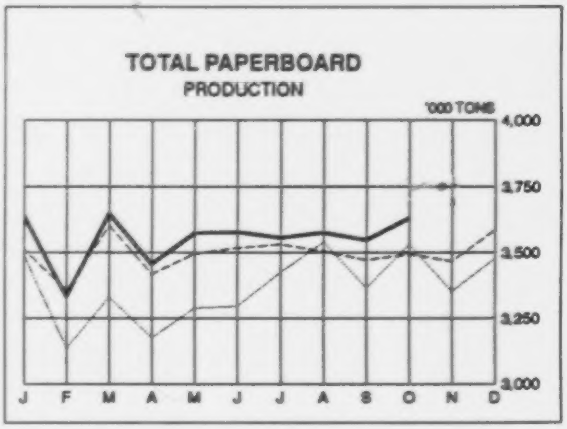
TOTAL PAPER AND PAPERBOARD
PRODUCTION



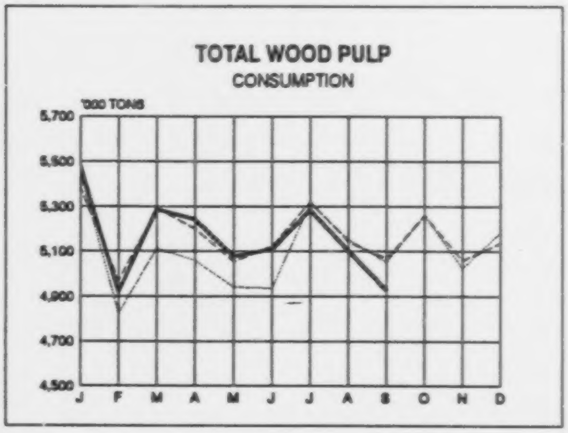
MARKET WOOD PULP
SHIPMENTS



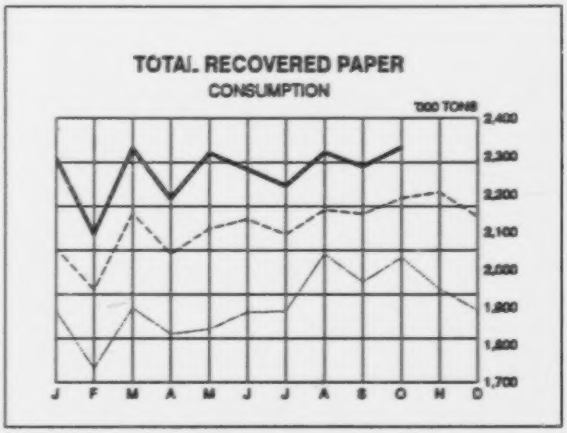
TOTAL PAPER
PRODUCTION



TOTAL PAPERBOARD
PRODUCTION



TOTAL WOOD PULP
CONSUMPTION



TOTAL RECOVERED PAPER
CONSUMPTION

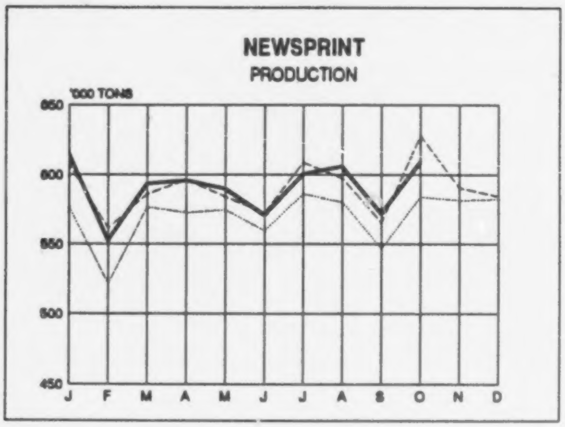
1991 .... 1992 ------ 1993 ———

WOOD PULP STATISTICS (Thousands of Tons)		YEAR		IVQ	IQ	IIQ	IIIQ	Annual Rate Y-T-D	% Change From Same Period Last Year
		1991	1992	1992	1993	1993	1993	1993	
TOTAL WOOD PULP									
Total Wood Pulp	Production	62,266	63,960	15,859	15,723	15,647	15,515	62,514	-2.5
(Paper Grades)	Imports	4,824	4,882	1,260	1,400	1,274	1,353	5,369	11.2
	Exports	5,566	6,421	1,490	1,490	1,546	1,387	5,898	-10.3
	New Supply	61,524	62,421	15,629	15,633	15,285	15,480	61,865	-1.0
Paper Grades	Production	51,768	53,358	13,150	13,142	13,084	12,995	52,295	-2.5
Chemical Pulp	Imports	4,504	4,570	1,177	1,280	1,156	1,258	4,924	8.8
	Exports	5,516	6,321	1,447	1,453	1,511	1,371	5,781	-11.1
	New Supply	50,756	51,607	12,880	12,969	12,728	12,881	51,438	-0.4
Groundwood and	Production	6,404	6,501	1,704	1,576	1,555	1,516	6,196	-3.1
Thermo-Mech.	Imports	320	312	83	121	119	95	445	45.7
	Exports	50	100	43	38	35	16	117	54.0
	New Supply	6,673	6,713	1,744	1,659	1,639	1,595	6,524	-1.5
Semi-Chemical	Production	4,094	4,101	1,005	1,005	1,008	1,005	4,023	-2.5
	Imports								
	Exports								
	New Supply	4,094	4,101	1,005	1,005	1,008	1,005	4,023	-2.5
MARKET WOOD PULP									
Paper Grades	Production	7,660	8,670	2,125	2,030	2,048	2,048	8,168	-6.4
Chemical Pulp	Imports	2,816	2,946	726	792	736	788	3,088	4.4
	Exports	5,169	5,906	1,376	1,319	1,443	1,288	5,400	-10.6
	New Supply	5,307	5,709	1,475	1,504	1,340	1,548	5,857	3.7

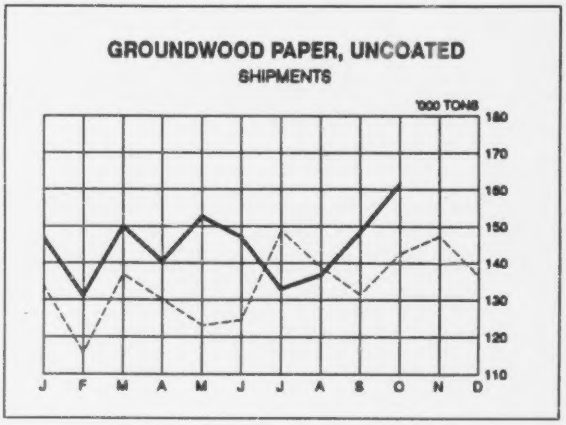
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		IVQ	IQ	IIQ	IIIQ	Annual Rate Y-T-D	% Change From Same Period Last Year
	1991	1992	1992	1993	1993	1993	1993	
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	84,146	87,366	21,991	22,391	22,190	22,119	88,934	2.0
Total Wood Pulp	61,301	62,011	15,458	15,683	15,429	15,316	61,904	-0.3
Recovered Paper	22,845	25,355	6,533	6,708	6,761	6,803	27,030	7.7
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	219	228	194	202	205	251	251	10.0
Producers' Market Inventories	518	710	882	872	769	839	839	18.1
Consumers' Purchased Inventories *	451	374	407	450	400	N.A	N.A	N.A
Recovered Paper at Paper & Bd. Mills	1,113	1,143	1,147	1,065	1,073	1,062	1,062	-7.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	23	41	41	38	32	N.A	N.A	N.A

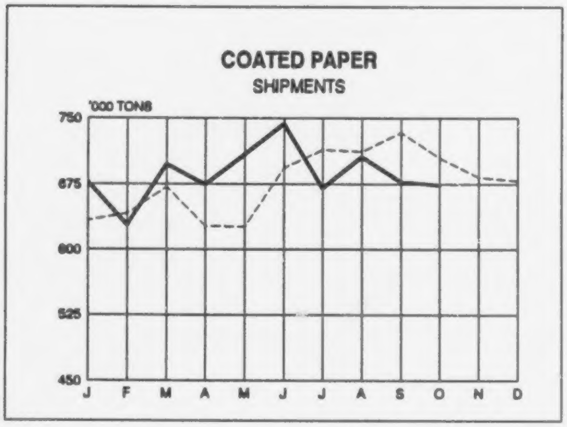
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA. N.A. - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.



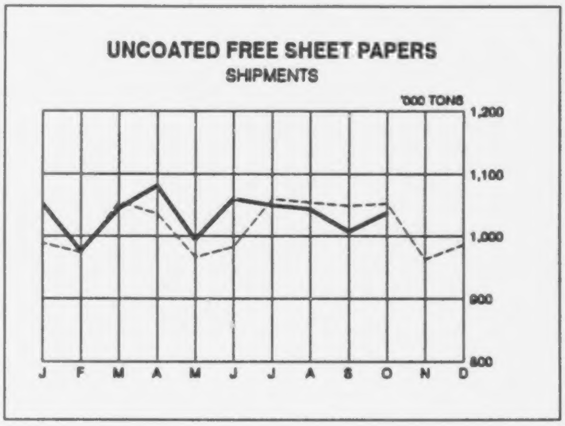
NEWSPRINT
PRODUCTION



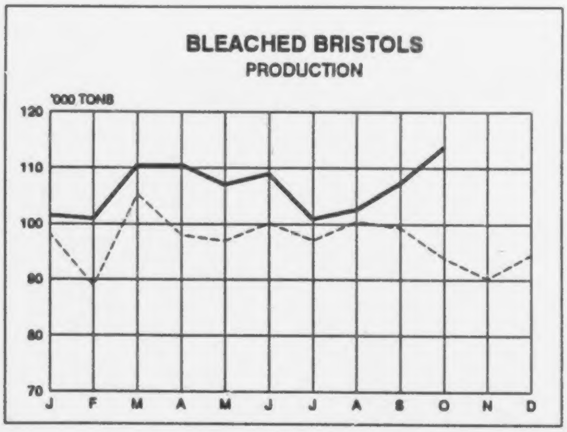
GROUNDWOOD PAPER, UNCOATED
SHIPMENTS



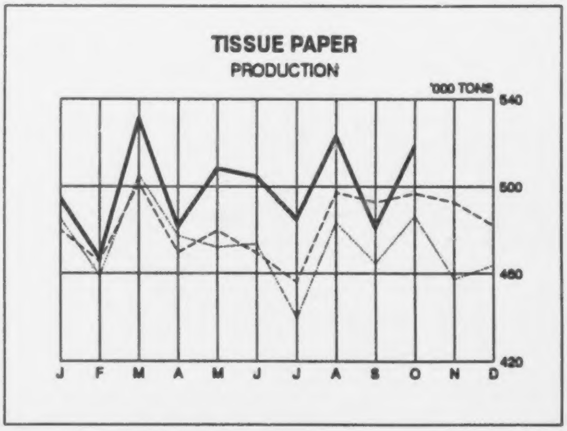
COATED PAPER
SHIPMENTS



UNCOATED FREE SHEET PAPERS
SHIPMENTS



BLEACHED BRISTOLS
PRODUCTION



TISSUE PAPER
PRODUCTION

1991 .... 1992 ------ 1993 ━━━━

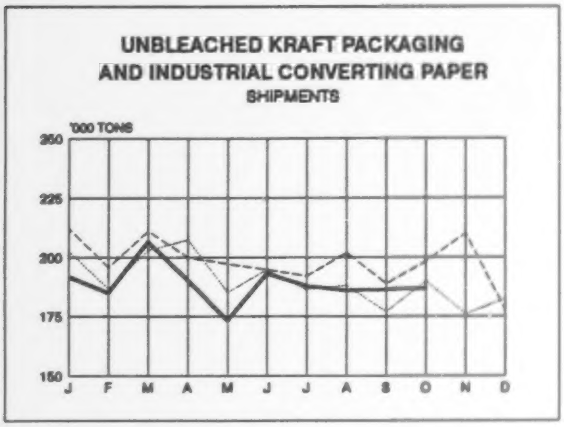
FIBROUS RAW MATERIALS Thousands of Standard (128 Cu. ft.) Cords	YEAR 1991	YEAR 1992	Jul 1993	Aug 1993	Sep 1993	Oct 1993	ANNUAL RATE Y-T-D 1993	% CHANGE FROM SAME PD LAST YEAR
PULPWOOD								
Total U.S. – Total Receipts	98,859	103,891	8,984	8,828	8,889	8,899	105,971	2.0
– Total Consumption	98,242	104,506	8,863	8,816	8,547	8,646	105,112	1.1
– Residues *	34,097	39,784	3,884	3,609	3,572	3,849	43,169	9.3
– Inventories	5,888	5,314	5,103	5,457	5,683	5,951	5,951	-1.7
So. Atlantic – Total Receipts	31,298	33,704	2,958	2,940	2,889	2,962	34,899	4.2
– Total Consumption	31,825	34,015	2,964	2,862	2,796	2,839	34,851	2.5
– Residues *	10,166	13,173	1,286	1,257	1,231	1,277	14,894	15.0
– Inventories	1,284	1,199	1,265	1,394	1,459	1,514	1,514	8.8
Northeast – Total Receipts	7,333	7,511	663	663	659	639	7,816	4.9
– Total Consumption	6,840	7,341	640	649	647	610	7,754	6.7
– Residues *	1,707	1,800	137	148	148	131	1,790	-0.5
– Inventories	423	347	299	314	333	354	354	7.3
South Central – Total Receipts	38,751	42,665	3,749	3,766	3,857	3,794	44,251	4.0
– Total Consumption	38,321	42,958	3,691	3,647	3,673	3,840	43,874	3.4
– Residues *	11,703	15,544	1,513	1,478	1,490	1,486	17,823	15.4
– Inventories	1,637	1,736	1,626	1,806	1,884	2,001	2,001	-6.5
North Central – Total Receipts	7,207	7,310	611	619	606	627	7,379	0.7
– Total Consumption	7,313	7,339	576	611	568	637	7,469	2.6
– Residues *	1,197	1,139	87	89	88	94	1,063	-7.8
– Inventories	925	813	713	694	741	729	729	-16.6
West – Total Receipts	14,082	12,791	995	916	896	987	11,526	-11.3
– Total Consumption	13,943	12,947	1,002	847	861	920	11,363	-13.4
– Residues *	9,324	8,126	681	639	615	681	7,796	-6.4
– Inventories	1,419	1,219	1,178	1,249	1,286	1,353	1,353	-0.1

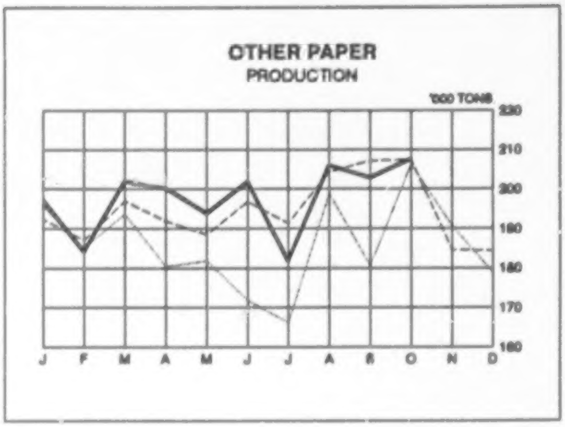
SOURCE: American Pulpwood Association

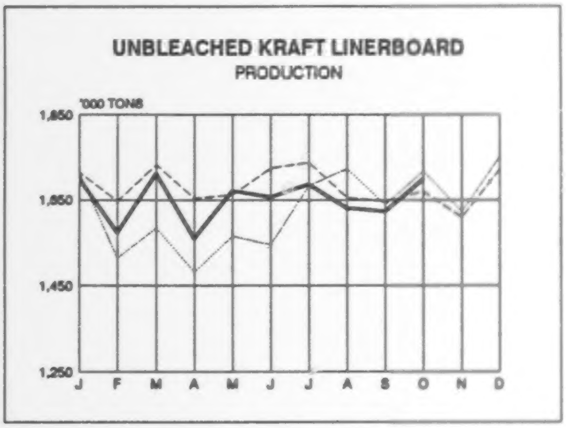
* – Consumption of Residues in cords equivalent

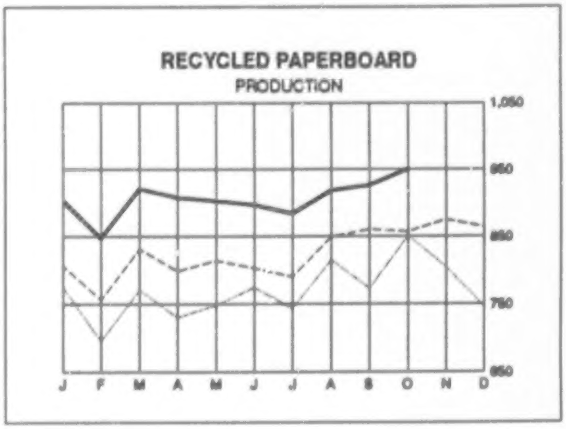
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA YEAR 1992 Tons	YEAR 1992 ($000)	August 1993 Tons	August 1993 ($000)	September 1993 Tons	September 1993 ($000)	ANNUAL RATE Y-T-D 1993 Tons	% CHANGE FROM SAME PD LAST YEAR
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood chips	510,775	16,378	22,874	1,160	25,490	1,433	367,592	-30.9
Wood Pulp, Total	4,272,013	1,769,416	412,704	139,595	341,614	113,879	4,742,936	11.8
Waste Fibrous Materials, Total	124,918	23,340	8,770	1,106	10,283	1,493	128,218	5.0
Paper, Board & Products, Total	10,842,116	5,977,951	842,916	454,830	899,811	475,439	11,509,690	9.2
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	10,638,896	5,493,008	819,748	405,816	876,796	425,034	11,290,804	8.9
Paper, Paperboard & Products	10,661,734	5,947,813	832,423	451,972	887,980	472,389	11,387,874	10.1
Paper & Paperboard, Only	10,519,049	5,462,870	809,255	402,958	864,945	421,984	11,138,998	8.9
Paper, Total	9,679,643	5,130,294	730,660	373,563	788,559	393,923	10,246,214	9.2
Newsprint	7,249,235	3,565,746	568,829	273,240	557,562	247,842	7,858,284	10.0
Printing, Writing & Rel. Pap.	2,096,058	1,294,773	111,382	75,321	199,437	120,054	2,242,523	7.1
Pack. & Ind. Conv. Paper	216,420	131,427	18,634	11,539	19,861	12,230	208,476	-2.9
Special Industrial Paper	59,368	89,042	5,457	8,708	5,557	9,259	62,853	10.6
Tissue Paper	56,961	49,305	8,359	4,756	6,143	4,536	73,778	33.4
Paperboard, Total	840,006	332,576	78,596	29,395	76,386	28,061	892,784	5.9
Convtd Paper&Paperbd Products	203,218	484,943	23,166	49,014	23,015	50,406	248,875	25.3
Wet Machine Board	813	721	65	64	19	16	793	-7.4
Construction Paper & Board	118,436	29,417	10,428	2,796	11,832	3,034	121,013	12.5
EXPORTS TO CANADA								
Pulpwood, Roundwood (in cubic meters)	2,204,878	63,233	152,997	5,062	198,818	5,879	2,302,377	16.0
Pulpwood chips	364,094	18,830	26,705	1,419	30,918	1,800	323,239	-17.4
Wood Pulp, Total	444,874	145,084	21,860	8,588	20,194	8,129	319,536	-25.7
Cotton Pulp & Other Pulp	11,336	6,766	243	169	256	150	6,377	-42.7
Waste Paper	796,302	115,834	102,787	11,800	99,539	11,308	1,194,301	56.8
Paper, Board & Products, Total	1,598,735	1,632,661	164,428	163,217	151,987	164,557	1,716,298	7.8
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	1,154,140	963,462	112,948	84,877	110,163	88,661	1,238,702	8.0
Paper, Paperboard & Products	1,587,897	1,628,318	163,572	162,934	151,116	164,263	1,709,345	8.2
Paper & Paperboard, Only	1,032,947	959,099	112,090	84,594	109,293	86,387	1,231,760	8.5
Paper, Total	667,226	696,351	55,868	56,886	54,938	57,995	661,294	-0.5
Newsprint	34,558	17,241	678	329	546	259	17,037	-50.0
Printing, Writing & Rel. Pap.	495,873	490,145	37,787	36,497	38,865	38,370	486,312	-1.8
Pack. & Ind. Conv. Paper	80,267	43,517	5,093	3,964	5,339	4,100	68,451	-10.4
Special Industrial Paper	67,855	117,460	9,323	12,004	7,782	12,808	87,238	34.2
Tissue Paper	28,374	27,989	2,987	3,080	2,427	2,368	34,226	25.8
Paperboard, Total	455,877	262,748	56,232	28,709	54,354	28,892	550,406	22.3
Convtd Paper&Paperbd Products	444,595	669,219	41,482	68,340	41,824	67,876	477,586	7.2
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	11,039	4,363	858	283	871	294	6,942	-44.0

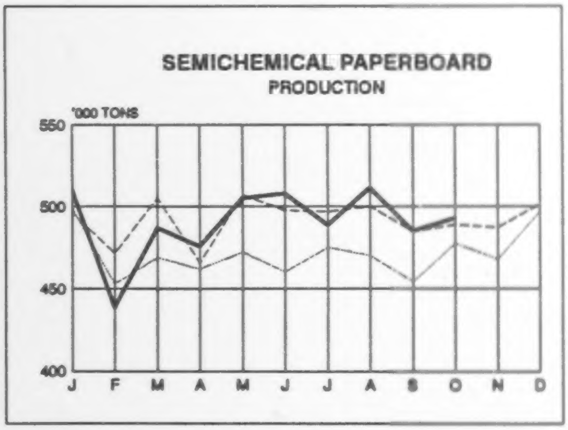
SOURCE: Bureau of Census, Department of Commerce

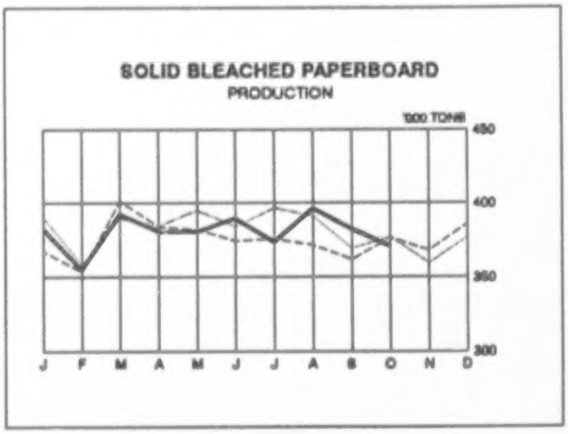

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1991 .... 1992 ------ 1993 ——

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1992		August 1993		September 1993		Annual Rate YTD 1993 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	512,961	16,462	85,173	1,963	124,158	4,080	697,133	30.4
Total All Imports	17,731,961	10,028,235	1,642,858	880,254	1,573,165	840,116	19,443,010	12.2
Wood Pulp Total	5,029,302	2,094,235	466,215	157,678	418,982	136,922	5,464,129	9.7
Waste Paper	149,656	27,668	10,014	1,407	12,588	2,034	138,329	–10.2
Other Fibrous Materials	10,340	7,022	354	147	896	574	7,296	–38.2
Paper Board & Products Total	12,542,663	7,899,310	1,166,275	721,022	1,140,696	700,586	13,833,256	13.6
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	12,112,101	6,754,223	1,120,892	610,764	1,095,970	586,041	13,354,367	13.6
Paper Ppbd & Prds ex Cnst&WMB	12,405,877	7,855,513	1,154,289	716,864	1,127,255	696,121	13,693,253	13.7
Paper & Paperboard Only	11,975,314	6,710,426	1,108,905	606,606	1,082,526	581,575	13,214,384	13.6
Paper Total	11,031,198	6,296,038	1,012,703	566,979	991,638	544,855	12,166,530	13.8
Newsprint	7,339,583	3,598,986	606,038	278,633	567,919	250,320	7,820,063	10.8
Printing & Writing	3,173,198	2,100,089	364,629	237,695	378,291	241,808	3,861,122	24.1
Uncoated Groundwood	1,418,885	859,708	156,305	88,639	159,891	90,759	1,655,365	19.7
Coated Print.& Impreg. Pap.	830,055	608,376	104,468	76,138	113,478	82,692	1,120,245	37.8
Uncoated Free Sheet	802,147	500,413	92,623	59,447	94,207	57,852	961,863	21.7
Thin (except Cigarette)	11,821	15,303	501	775	609	883	7,545	–37.4
Bristols	110,290	116,289	10,732	10,695	10,105	9,643	116,103	3.3
Total Pkg & Other Paper	452,286	541,617	34,631	45,132	37,411	46,897	406,243	–11.9
Unbleached Kraft Paper	228,001	106,122	15,706	6,255	17,636	9,701	177,830	–26.4
Other Pkg. & Indust. Paper	224,285	435,495	18,926	36,877	19,775	37,196	228,413	4.0
Tissue	66,130	55,346	7,405	5,519	8,016	5,829	79,102	27.9
Paperboard, Total	944,117	414,388	96,202	39,627	90,889	36,721	1,047,835	10.9
Kraft Paperboard	176,950	68,644	19,632	7,849	18,575	6,900	205,541	17.0
Semi–Chemical Corrugating	148,131	36,790	22,478	5,039	24,715	5,738	249,396	64.0
Other Paperboard	619,036	308,954	54,093	26,739	47,599	24,083	592,897	–6.5
Convtd Paper&Paperbd Products	430,562	1,145,087	45,383	110,258	44,728	114,546	478,888	15.7
Paper Products, Total	304,048	891,733	32,280	84,603	32,067	88,849	341,518	17.0
Paperboard Products, Total	126,515	253,353	13,103	25,656	12,661	25,697	137,370	12.6
Wet machine Board	933	816	65	64	43	32	931	–3.3
Construction Paper & Board E	135,853	42,961	11,922	4,094	13,401	4,433	139,072	11.7
Notes								
Other: No Weight Avail. ($000)		151,879		16,994		15,120	164,449	8.8
Total Imports Incl. Other($000)		10,180,113		897,248		855,236	10,630,431	6.5

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1992		August 1993		September 1993		Annual Rate YTD 1993 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood, Roundwood (cubic meters)	2,252,713	63,909	170,909	6,327	203,723	5,967	2,375,076	16.5
Pulpwood Chips	5,651,111	474,425	342,596	28,078	418,819	33,718	5,001,219	–9.4
Total All Exports	22,756,589	10,241,859	1,816,178	788,029	1,783,565	793,642	21,457,953	–6.4
Wood Pulp,Total	7,222,258	3,114,419	562,309	193,970	526,143	190,992	6,559,761	–11.7
Cotton Pulp and Other Pulp	115,956	92,001	8,612	6,773	13,182	9,271	124,804	14.5
Waste and Old Paper	6,447,655	643,516	491,617	42,305	484,702	42,388	5,825,899	–9.7
Paper, Board & Products,Total	8,970,720	6,391,924	753,640	644,980	759,558	550,991	8,947,489	–0.8
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,559,285	4,305,067	626,984	352,283	615,020	344,276	7,374,686	–3.1
Paper, Ppbd & Prod ex Cnst&WMB	8,946,054	6,379,472	750,810	643,648	757,241	549,952	8,920,620	–0.8
Paper & Paperboard, Only	7,534,619	4,292,615	624,155	350,950	612,704	343,236	7,347,817	–3.1
Paper, Total	2,635,060	2,061,388	235,511	180,917	221,679	172,001	2,572,670	–0.8
Newsprint	1,022,756	467,357	106,739	50,415	94,676	44,350	977,455	–4.0
Printing & Writing	1,158,188	1,022,740	87,218	79,561	91,082	79,640	1,144,636	1.0
Uncoated Groundwood	116,020	82,732	10,026	7,137	12,432	8,430	116,092	–3.4
Clay Coated Paper	360,797	304,699	28,350	23,588	27,140	21,808	344,037	0.5
Uncoated Free Sheet	448,985	446,094	29,790	33,139	31,652	33,876	431,674	–0.7
Other Printing & Writing	232,386	189,215	19,053	15,696	19,858	15,527	252,834	7.1
Total Pkg. & Other Paper	381,842	483,062	35,940	43,308	31,424	41,579	383,423	4.0
Unbleached Kraft	141,105	73,814	12,664	6,302	11,774	6,165	130,701	–9.3
Other Pkg. & Indust. Paper	240,736	409,247	23,276	37,006	19,650	35,425	252,723	12.5
Tissue	72,274	88,230	5,615	7,633	4,297	6,431	67,155	–0.4
Paperboard, Total	4,899,559	2,231,227	388,643	170,033	391,025	171,235	4,775,147	–4.4
Solid Wood Pulp	4,657,574	2,094,365	366,031	157,832	370,042	158,795	4,497,342	–6.4
Total Linerboard	3,224,393	1,107,369	237,813	72,590	233,551	71,922	2,880,617	–12.9
Bleached Kraft Linerboard	65,602	37,914	745	541	1,656	1,188	13,828	–83.0
Unbleached Kraft Linerbd	3,158,792	1,069,456	237,068	72,058	231,895	70,734	2,866,789	–11.1
Other Unbleached Kraft	398,633	211,163	44,580	23,961	36,398	18,214	529,430	30.6
Other Bleached Kraft	958,950	751,904	77,016	58,841	83,390	64,239	980,675	2.4
Semi–Chemical Corrugating	75,598	23,928	6,622	2,430	16,703	4,420	106,621	30.8
Recycled Paperboard	241,985	136,862	22,612	12,202	20,983	12,440	277,805	15.3
Convtd Paper&Paperbd Products	1,411,436	2,096,857	126,656	192,696	144,537	206,716	1,572,803	11.7
Paper Products, Total	638,804	1,347,561	59,625	125,329	75,189	138,558	709,003	11.7
Paperboard Products, Total	772,632	739,296	67,031	67,369	69,348	68,158	863,799	11.7
Wet Machine Board	883	289	114	62	0	0	767	–29.9
Construction Paper & Board E	23,783	12,164	2,716	1,271	2,316	1,039	26,102	0.3
Notes								
Other: No Weight Avail. ($000)		77,411		7,201		6,393	84,390	9.8
Total Exports Incl. Other($000)		10,319,270		795,230		800,034	9,659,073	–7.1

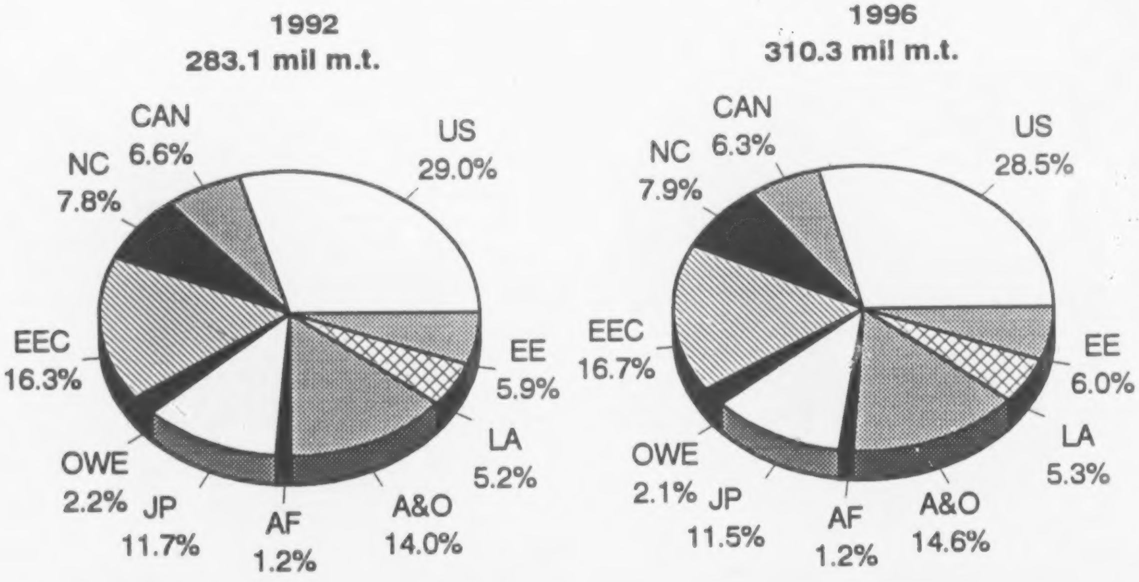
SOURCE: Bureau of Census, U.S. Department of Commerce. E – Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year–To–Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1991	 1992	JUL 1993	AUG 1993	SEP 1993	OCT 1993	Annual Rate Y-T-D 1993	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.8	129.2	127.4	127.1	126.7	126.9	127.7	-1.2
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.9	129.4	127.6	127.3	126.9	127.2	127.8	-1.2
Total Wood Pulp	119.2	118.9	103.7	102.4	102.1	99.6	105.3	-11.8
Total Paper	127.0	123.2	124.7	124.6	124.4	124.1	123.8	0.5
Writing Paper, exc. Newsprint	124.8	120.2	121.8	121.6	121.6	121.3	120.6	0.1
Newsprint	120.9	110.0	112.7	112.6	111.0	110.8	112.3	2.0
Total Paperboard	130.2	134.3	128.7	127.6	127.9	129.6	129.9	-3.3
Total Paper and Paperboard *	128.0	126.7	126.0	125.5	125.5	125.8	125.7	-0.8
Converted Products	134.8	134.8	133.3	133.3	132.5	132.9	133.8	-0.7
Waste Paper	121.3	117.4	116.4	114.8	112.6	112.1	120.3	3.6
All Commodities	116.5	117.2	119.3	118.8	118.7	119.1	119.0	1.6
Industrial Commodities	116.5	117.4	119.5	118.9	118.8	119.4	119.2	1.6

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

WORLD PAPER & PAPERBOARD CAPACITY

Percent Distribution


1992
283.1 mil m.t.

1996
310.3 mil m.t.

US=United States CAN=Canada NC=Nordic Countries EEC=European Economic Community OWE=Other Western Europe JP=Japan AF=Africa A&O=Asia & Oceania LA=Latin America EE=Eastern Europe & Former USSR

Source: 1993 FAO Pulp & Paper Capacity Survey (includes revisions)

Shipments of uncoated free sheet advanced a sluggish 1.2% through October, but new supply increased a more substantial 2.8%. Imports of uncoated free sheet expanded 21.7% (1286000 tons) through September, with purchases from Canada accounting for 86% of that overall gain.

The 8.8% gain in shipments of bleached bristols was second only to that of uncoated groundwood paper. Coated bristols are turning in a particularly strong performance, with an increase well above the average of the grade, while tag stock, file folder stock and printing bristols also reported solid increases.

The weakest shipments performance among the four major printing-writing grades was posted by coated groundwood papers (-0.6%). New supply, by contrast, rose a tidy 4.7%. The disparity between domestic shipments and new supply was attributable to a 42% increase in imports of coated groundwood; the nine-month 1993 imports of 649,300 tons was 21,000 tons above the total for all of 1992. Exports of coated groundwood were also up, but from a much smaller base.

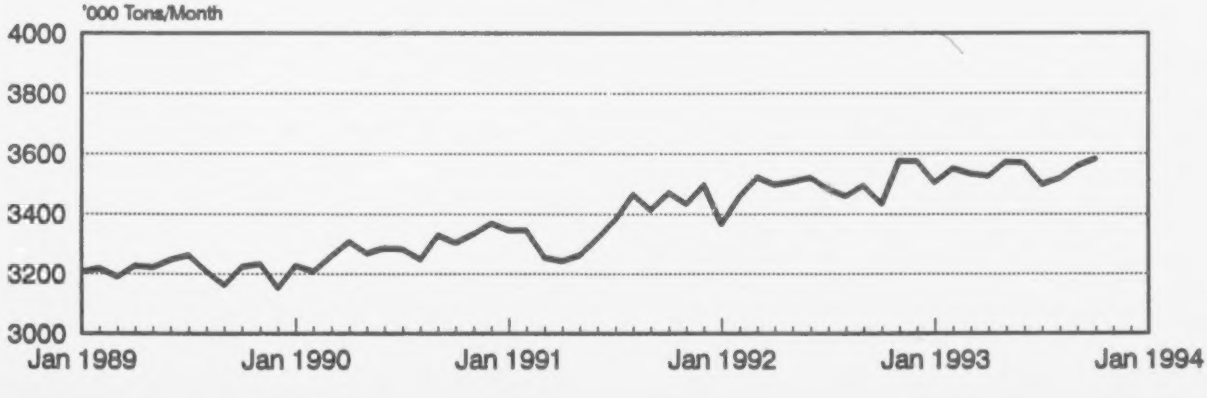
Tissue paper production is showing a relatively good increase in 1993, with the rate of production in the August-October 1933 period well above 6 million tons per year. The year-to-date rate was 5,995,000 tons per year, 3.9% ahead of its January-October 1992 level.

U.S. shipments of unbleached kraft papers have exhibited a loss pattern this year, after posting a strong 4.4% advance in 1992. Year-to-date shipments of these grades were off 5.3% through October. New supply (domestic shipments plus imports minus exports) was down an even sharper 7.7%, reflecting reduced import levels.

This year's setbacks spanned four of the five major unbleached kraft paper grade categories, with shipments of "other bag and sack papers" posting the only increase. Polyethylene resin markets are presently characterized by domestic and international oversupply, which appears to have contributed to the weakness in kraft paper demand. Shipments of bleached kraft papers trailed their year-ago level by a more moderate 1.0% through the first ten months of 1993.

Paperboard: The October 1993 rate of total paperboard production moved to the top of the narrow range evident during the past 12 months (see table on top of page 11). The year-to-date rate of 42.5 million tons per year was 1.9% ahead of its ten-month 1992 level, eking out a new high.

PAPERBOARD PRODUCTION
seasonally adjusted



In spite of strong box shipments, U.S. containerboard production was up a slim 0.7% through the first ten months of 1993, with the lack of strong momentum attributable to inventory draw-downs and sagging export demand.

Fibre-box shipments were up an above-trend 3.4% through October. In the most recent three-month period (August-October) they exceeded their year-ago level by a particularly strong 6.1%. Containerboard production was constrained by a 8.6% year-to-date reduction in exports.

Containerboard inventories at mills and box plants decreased by 190,000 tons during October to 2.38 million tons, marking their lowest level since October 1987.

Less impacted by weak export demand than the containerboard segment of the industry, boxboard production has scored handsome gains so far this year, with overall production up 4.5% through October. The increases within the folding boxboard category were all robust, ranging from 4.1% for recycled folding boxboard to 4.3% for solid bleached folding boxboard and 5.4% for unbleached kraft folding boxboard.

These strong gains probably reflected increased packaging demand associated with GDP growth, which is expected to approach the 3% level this year. Other areas in which boxboard demand has scored healthy advances through October include set-up boxboard for domestic use (+4.4%); milk carton & food service for domestic use (+3.8%); and other boxboard for domestic use (+5.7%), a category that encompasses tube, can and drum stock as well as gypsum wallboard and panel board. Overall exports of boxboard were up 1.2% through October, with strong gains in the folding box area being offset by declines elsewhere.

SALES AND EARNINGS

Third quarter 1993 sales by 29 paper and allied products companies,accounting for approximately two thirds of the total industry, amounted to $22.1 billion, off 1.9% from the same period a year ago. Year-to-date sales, at $66.3 billion, were up by only a meager 0.4% from 1992. Continued pressure from sluggish exports and rising imports, as well as the strengthening of the U.S. dollar relative to the currencies of our trading partners, are squeezing the entire industry.

The companies reported a net loss for the third quarter of nearly $2 billion. This figure is, however, severely distorted by one company's non-recurring goodwill write-off of $1.9 billion and several other companies' adjustments for the 1993 Budget Reconciliation Act. The Act included an increase in the corporate tax rate from 34% to 35% and is retroactive to January 1993. When these figures are taken into consideration and netted out of the calculations, industry earnings were slightly more than $117 million for the third quarter of 1993. This figure is still 56% below third quarter 1992 earnings, and less than half of second quarter 1993 earnings.

The table below presents sales and earnings information for the sample of 29 companies and includes accounting changes and extraordinary items.

Paper and Allied Products Companies
Sales and Earnings
(29 Companies)

	Sales			Net Profit After Taxes *			Net Profit/Sales	
	1993 (Thousand Dollars)	1992	93/92 % Change	1993 (Thousand Dollars)	1992	93/92 % Change	1993 %	1992 %
First Quarter	21,688,849	21,325,581	1.7%	335,962	(949,938)	N.M.	1.5%	N.M.
Second Quarter	22,456,497	22,109,145	1.6%	293,476	419,445	-30.0%	1.3%	1.9%
Third Quarter	22,143,585	22,575,606	-1.9%	(1,992,126)**	266,486	N.M.	N.M.	1.2%
Fourth Quarter		21,559,870			(195,126)			N.M.
Year to Date	66,288,931	66,010,332	0.4%	(1,362,688)	(264,007)	N.M.	N.M.	N.M.

R = Revised N.M. = Not Meaningful * Includes effects of accounting changes and extraordinary items

** One company had an extraordinary goodwill charge of $1.9 billion in the third quarter.

WORLD PAPER, PAPERBOARD AND WOOD PULP CAPACITY

World paper and paperboard capacity in 1992 was 283.1 million tonnes, according to the Food and Agriculture Organization of the United Nations's (FAO) 1993 edition of Pulp and Paper Capacity, as adjusted for the latest data from the U.S. and Canada, and several other countries. The FAO Survey reported pulp, paper and paperboard capacity in each of 94 countries. The Survey, as adjusted, showed that paper and paperboard capacity is expected to reach 310.3 million tonnes by 1996, growing at an average annual rate of 2.3% during the 1992-1996 period.

Total world, paper and paperboard capacity increased by nearly 62 million tonnes, or at an average annual rate of 3.58%, from 1985 to 1992. The 1992-1996 average is lower than the growth expectations published in the previous Survey.

Of the three major paper grades reported, printing and writing paper capacity is expected to exhibit the fastest increases, with capacity expanding 9.1 million tonnes, or at an average annual rate of 2.6%. Newsprint is expected to grow at an annual rate of 1.5% per year, to a 1996 total of 40.2 million tonnes. Both of these trends are significantly below the expectations of capacity additions that were reported in last year's Survey for the 1991-1995 period.

Paper and paperboard capacity within North America is expected to increase by a total of only 6.8%, to a level of 107.8 million tonnes by 1996. Of this, total paper is predicted to grow by a meager 1.2% through 1996. Within the paper category, the printing and writing grades contributed most of the potential expansion, posting a 2.3 million-tonne increase by 1996. Newsprint capacity is actually expected to drop off by 119,000 tonnes by 1996, declining 0.7%.

Paperboard capacity, on the other hand, is expected to expand by a more robust 9.5% to 48.9 million tonnes by 1996. Linerboard alone is anticipated to rise 10.2% in that period, to reach an all-time high of 23.6 million tonnes.

The average annual growth rate in North America for paper and paperboard amounts to only 1.7% for the 1992-1996 period. This contrasts to 2.9% and 2.5% for the European Economic Community and Nordic countries, respectively, during the same period.

The Survey shows a continued predominant position by the U.S. in world paper and paperboard production (see table below). While U.S. production capacity will remain more than double that of its closest competitor, its overall portion of world capacity will erode slightly as developing countries in Asia and Latin America, as well as Eastern European countries, expand their own paper and paperboard industries.

The pie charts on the bottom of page 10 show the percentage distribution of world paper and paperboard capacity, by major region, for 1992 and 1996.

WORLD CAPACITY INCREASES OF TOTAL PAPER AND PAPERBOARD

	ANNUAL CAPACITY ('000 Tonnes)			AVG. ANNUAL GROWTH		PERCENT OF TOTAL	
	1987	1992	1996	1987-1992	1992-1996	1992	1996
TOTAL WORLD	230,491	283,106	310,324	4.2%	2.3%	100.0%	100.0%
DEVELOPED MARKET ECONOMIES	196,658	230,672	250,574	3.2%	2.1%	81.5%	80.7%
NORTH AMERICA	88,356	100,891	107,778	2.7%	1.7%	35.6%	34.7%
UNITED STATES	88,340	82,092	88,357	-1.5%	1.9%	29.0%	28.5%
EASTERN EUROPE	5,090	5,321	6,222	0.9%	4.0%	1.9%	2.0%
EEC COUNTRIES	37,999	46,273	51,930	4.0%	2.9%	16.3%	16.7%
NORDIC COUNTRIES	18,698	22,191	24,454	3.5%	2.5%	7.8%	7.9%
OTHER WESTERN EUROPE	5,264	6,279	6,533	3.6%	1.0%	2.2%	2.1%
FORMER USSR	11,370	11,302	12,470	-0.1%	2.5%	4.0%	4.0%
OCEANIA	2,565	3,240	3,467	4.8%	1.7%	1.1%	1.1%
OTHERS	27,314	35,175	38,374	5.2%	2.2%	12.4%	12.4%
DEVELOPING MARKET ECONOMIES	33,833	52,434	59,750	9.2%	3.3%	18.5%	19.3%
AFRICA	1,084	1,646	1,795	8.7%	2.2%	0.6%	0.6%
LATIN AMERICA	12,680	14,603	16,454	2.8%	3.0%	5.2%	5.3%
ASIA	20,060	36,185	41,501	12.5%	3.5%	12.8%	13.4%

SOURCE: FAO 1992-1997 PULP AND PAPER CAPACITY SURVEY, PUBLISHED 1993

MONTHLY STATISTICAL SUMMARY INSERT
VOL. 71, NO. 11
NOVEMBER, 1993

PRODUCTION

(000 TONS)	(P) OCT 1993	(R) SEPT 1993	OCT 1992	FIRST TEN MONTHS 1993	FIRST TEN MONTHS 1992	% CHANGE YR TO DATE 1993/1992
PAPER GRADES						
Newsprint	609	572	628	5,905	5,906	0.0
Printing & Writing	2,014	1,969	2,023	19,982	19,561	2.2
Uncoated Groundwood (s)	161	148	142	1,447	1,325	9.2
Coated Groundwood (s)	333	342	370	3,598	3,621	-0.6
Coated Free Sheet (s)	340	335	334	3,258	3,136	3.9
Total Coated Paper (s)	674	677	705	6,855	6,757	1.5
Uncoated Free Sheet Paper (s)	1,037	1,008	1,053	10,349	10,222	1.2
Thin Paper (s)	14	14	18	130	144	-10.0
Cotton Fiber Paper (s)	14	14	12	137	134	1.6
Bleached Bristols (s)	114	107	94	1,064	978	8.8
Tissue Paper	518	481	497	4,996	4,809	3.9
Total Pkg & Other Paper	395	389	406	3,865	3,956	-2.3
Unbl. Kraft Paper (s)	187	186	198	1,887	1,992	-5.3
Bl. Kraft Paper (s)	37	35	34	335	338	-1.0
Specialty Pkg. Paper	66	60	63	598	577	3.7
Special Industrial Paper	105	108	111	1,044	1,048	-0.4
TOTAL PAPER	3,536	3,411	3,554	34,748	34,232	1.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,818	1,753	1,773	17,780	18,083	-1.7
Unbleached Kraft Linerboard *	1,698	1,622	1,670	16,510	16,841	-2.0
Other Unbl. Kraft Paperboard	120	131	103	1,269	1,243	2.1
Semichemical Paperboard	493	485	489	4,903	4,914	-0.2
Bleached Paperboard	371	382	376	3,804	3,749	1.5
Recycled Paperboard	950	926	857	9,060	8,167	10.9
TOTAL PAPERBOARD	3,632	3,547	3,495	35,546	34,913	1.8
TOTAL PAPER AND PAPERBOARD	7,168	6,958	7,049	70,294	69,145	1.7

(000 SHORT TONS)	OCT 1993	SEPT 1993	OCT 1992	FIRST TEN MONTHS 1993	FIRST TEN MONTHS 1992	% CHANGE YR TO DATE 1993/1992
U.S. MARKET PULP SHIPMENTS						
Total	705	656	647	6,875	6,999	-1.8%
Total Sulfate	692	645	625	6,722	6,793	-1.0%
Bleached Sulfate	682	631	611	6,562	6,652	-1.3%
Softwood	428	387	391	3,982	3,980	0.0%
Hardwood	255	244	219	2,580	2,672	-3.4%
Unbleached	10	14	14	160	141	13.2%
Sulfite, Bleached and Unbleached	13	12	22	153	206	-25.5%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	N.A.	4,929	5,261	N.A.	51,814	N.A.
Recovered Paper	2,323	2,273	2,189	22,595	21,011	7.5%

* Includes all unbleached kraft paperboard exports

(s) - Shipments
R - Revised
P - Preliminary

N.A. - Not Available

AMERICAN FOREST & PAPER ASSOCIATION
260 Madison Avenue
New York, New York 10016

INDUSTRY DATA December 14, 1993	1991	1992	1993	1993 R	1993 P	Ann. Rt. ytd '93	% Chg. 93/92
PAPER & PAPERBOARD — Tons (000)			Aug	Sep	Oct		
Total Production (AFPA)............: excluding :..............................	79,499	82,941	7,110	6,958	7,168	84,352	1.7
Total Seasonally Adjusted..........: construction :..............................			6,911	6,979	6,949	84,008	1.[illegible]
Imports (including Products).......: and wet :.....E..............................	12,074	12,406	1,154	1,127	1,146	13,699	11.4
Exports (including Products).......: machine :.....E..............................	8,311	8,946	751	757	740	8,916	-1.3
Apparent Consumption...............: grades :.....E..............................	83,261	86,401	7,314	7,349	7,355	88,791	3.5
Paper Production % Tonnage Capacity..............................	89.3	91.1	92.5	91.8	92.0	92.8	
Paperboard Production % Tonnage Capacity..............................	93.6	95.4	96.1	97.9	96.8	97.0	
PAPER, PAPERBOARD & PRODUCTS			Aug	Sep	Oct		
Imports.....:Including Construction and :.....E..............................	12,167	12,543	1,166	1,141	1,158	13,840	11.4
Exports.....: WMB Grades (excl. HPB) :.....E..............................	8,331	8,971	754	760	742	8,943	-1.2
Market Wood Pulp Shipments – Tons (000)..............................	701	8,305	654	656	705	8,250	-1.8
Wood Pulp Imports – Tons (000).....E..............................	409	4,882	462	403	451	5,373	9.6
Wood Pulp Exports – Tons (000).....E..............................	500	6,421	512	456	462	5,863	-10.4
Raw Materials Consumption – Tons (000)							
Wood Pulp.............:consumption for:..............................	56,116	56,873	5,104	4,929	N.A.	56,249	0.7
Recovered Paper.......:constuction & :..............................	20,955	23,216	2,310	2,273	2,323	27,114	20.0
Total.............: WMB grades :..............................	77,070	80,089	7,414	7,202	2,769	83,363	6.3
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	98,242	104,598	8,729	8,547	8,646	105,247	1.3
Employment (000)			Aug	Sep	Oct		
Paper and Allied Products..RS.......Total..............................	687.9	687.3	683.1	681.2	676.5	681.0	-0.9
Pulp, Paper and Board Mills..RS.....Total..............................	244.3	238.8	234.1	233.0	231.0	234.2	-2.1
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS..............................	12.72	13.07	13.41	13.67	13.55	13.38	2.7
Pulp, Paper Mills.......RS..............................	15.66	16.19	16.77	17.16	16.93	16.65	3.1
Paperboard Mills........RS..............................	15.71	16.24	16.68	17.14	17.06	16.71	3.2
New Plant & Equip. Expenditures, Paper & Allied Prod.			IVQ '92	IQ '93	IIQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	11.50	10.53	10.60	10.60	10.27	10.55 Y	0.2
Index of Output per Man–Hour (1982=100)			Aug	Sep	Oct		
:in Pulp, Paper:...Production Workers..............................	105.5	113.2	117.0	114.2	117.2	116.2	2.8
:and Board Mills:...All Employees..............................	105.2	112.9	116.3	114.5	117.1	115.8	2.8
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	128,757	131,282	10,664	10,889	10,683	129,420	-1.2
Pulp, Paper and Paperboard*	53,660	53,442	4,311	4,305	4,279	52,164	-2.2
Inventories (End of Period) – Total Industry*	13,544	13,387	13,714	13,600	13,618	13,618	-1.1
Pulp, Paper and Paperboard*	5,493	5,535	5,779	5,792	5,830	5,830	0.1
Paper & Allied Products Companies (Million $)			IVQ '92	IQ '93	IIQ '93		
Sales (Corporations Only)..............................	122,969	127,562	31,873	31,865	33,187	130,104	3.8
Earnings (Corporations Only)..............................	2,164	1,213	121	686	814	3,000	309.8
Depreciation (Corporations Only)..............................	6,504	6,974	1,771	1,800	1,868	7,336	5.6
Net Worth (Corporations Only)..............................	48,642	47,520	47,520	47,873	47,838	95,711	1.1
Price Indexes (Bureau of Labor Statistics) 1982=100			Aug	Sep	Oct		
Pulp, Paper & Products, ex. Building Grades..............................	129.8	129.2	127.1	126.7	126.9	127.7	-1.2
Wood Pulp..............................	119.2	118.9	102.4	102.1	99.6	105.3	-11.8
Waste Paper..............................	121.3	117.4	114.8	112.6	112.1	120.3	3.6
Paper..............................	127.0	123.2	124.6	124.4	124.1	123.8	0.5
Paperboard..............................	130.2	134.3	127.6	127.9	129.6	129.9	-3.3
Paper Demand (Indexed: 1987=100)			Aug	Sep	Oct		
Total Paper Production *	105.9	110.8	110.3	111.2	109.5	112.5	1.6
Paper New Supply *	99.6	102.5	104.0	104.1	103.4	106.1	3.9
Demand Indicators – (Weighted Average) *	101.6	101.0	100.9	101.0	101.1	101.2	0.3
Production of Nondurable Goods..RS........*....(21.2%)..............................	104.1	106.5	107.4	107.5	108.1	107.1	1.4
Disposable Income.............................*....(23.9%)..............................	107.3	110.4	113.0	113.2	113.4	112.1	2.1
Total Printing and Publishing..RS...........*....(54.9%)..............................	96.8	95.0	93.1	93.2	93.1	94.1	-1.0
Paperboard Demand (Indexed: 1987=100)			Aug	Sep	Oct		
Total Paperboard Production *	108.0	111.9	112.7	114.0	114.8	113.5	1.9
Production for Domestic Use ......E..............................	105.4	109.6	110.8	113.5	113.0	112.1	2.9
Demand Indicators – (Weighted Average) *	104.0	106.5	109.8	110.2	,111.3	109.9	3.6
Production of Consumer Goods..RS.........*....(62.06%)..............................	102.8	105.2	107.5	107.9	109.3	108.0	3.0
Production of Equipment..RS..................*....(5.75%)..............................	108.9	112.7	121.6	123.0	124.2	120.5	7.6
Production of Materials..RS....................*....(32.19%)..............................	105.5	107.9	112.1	112.4	113.0	111.7	3.8
Market Data			Aug	Sep	Oct		
Newsprint Consumption (SAAR) – Tons (000)...R......E..............................	12,565	12,799	12,676	12,522	12,665	12,826	0.3
Newspaper Pub. and Printing Empl. Total(000)..............................	459	451	453	452	453	452	0.2
Magazine Advertising Pages (PIB, Inc.)	160,224	166,266	9,983	11,429	15,803	162,947	-0.3
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales..............................	49,297	48,039	4,639	4,627	4,659	44,345	11.1
Inventories (End of Period)..............................	3,954	4,203	5,427	5,370	5,500	5,500	29.4
Fibre Box Data (Fibre Box Association)			Aug	Sep	Oct		
Fibre Box Shipments (Million square feet)..............................	320,106	335,696	30,358	29,833	32,267	352,951	3.4
Container'bd Inventory at Mill & Plant (000 Tons)..............................	2,670	2,918	2,715	2,594	2,383	2,383	-14.1
Retail Trade (Billion $)							
Total Retail Sales *	1,865	1,956	174.6	174.7	177.3	2,065	6.2
Nondurable Goods Stores Sales *	1,212	1,253	108.3	109.2	110.1	1,298	4.1
General Economic Data			Aug	Sep	Oct		
Total Industrial Production (Index 1987 = 100)*..............................	104.1	106.5	110.9	111.4	112.2	110.6	4.2
Producer Prices (All Commodities, Index: 1982=100)..............................	116.5	117.2	118.8	118.7	119.1	119.0	1.6
Consumer Prices (All Items–Urban Con.) (1982–4=100)..............................	136.2	140.3	144.8	145.1	145.7	144.2	3.0
Gross Domestic Product – Annual Rate (Billion$) *			IQ '93	IIQ '93	IIIQ '93		
G.D.P. or Expenditure – Current $..............................	5,722.9	6,038.5	6,261.6	6,327.6	6,396.3	6,328.5	5.7
G.D.P. or Expenditure – 1987 $..............................	4,861.4	4,986.3	5,078.2	5,102.1	5,138.0	5,106.1	3.0
Paper & Paperboard Consumption – Pounds per Capita	659	677				691	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = May est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

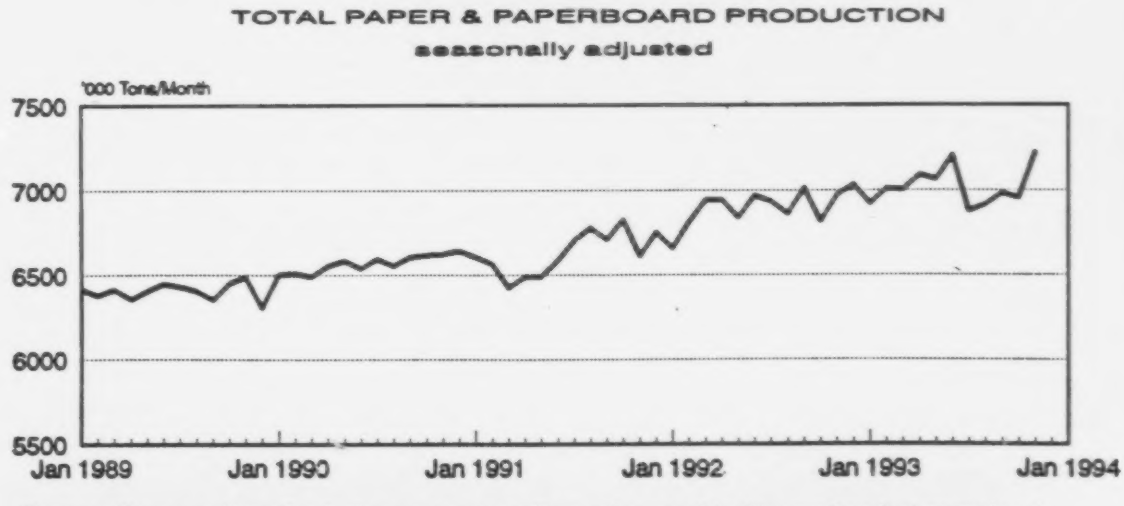
Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 71 No. 12 December 1993

Although actual production eased, seasonally-adjusted paper and paperboard production advanced to a new record high of 7.2 million tons in November. The trend level of paper and paperboard production, defined as a two-month moving average of the adjusted production rates, also moved up in November, providing further evidence of forward momentum.

Output of the two major industry segments exhibited very different growth patterns during 1993: Paper production dipped sharply in July and then held relatively flat until before increasing in November; paperboard production gained throughout the second half of 1993 in tune with the economy and some firming on the part of exports, particularly in the October-November period.

AF&PA's Capacity Survey, released in December, points to a slowdown in capacity growth relative to its long-term trend. For instance, paper and paperboard capacity is expected to expand at an average rate of 1.9% a year in the 1994-96 period, as compared with long-term growth (1983-93) of 2.5% a year. The Survey, nevertheless, points to brisk growth in the industry's ability to process and use recovered paper. Highlights of the Capacity Survey are presented later in this report.



TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted

Paper: Seasonally-adjusted paper production advanced in November but remained below its mid-1993 peak. Heightened import competition represented a major constraint to overall paper production last year; consumption growth was considerably stronger than output gains, particularly in the newsprint and printing-writing paper segments.

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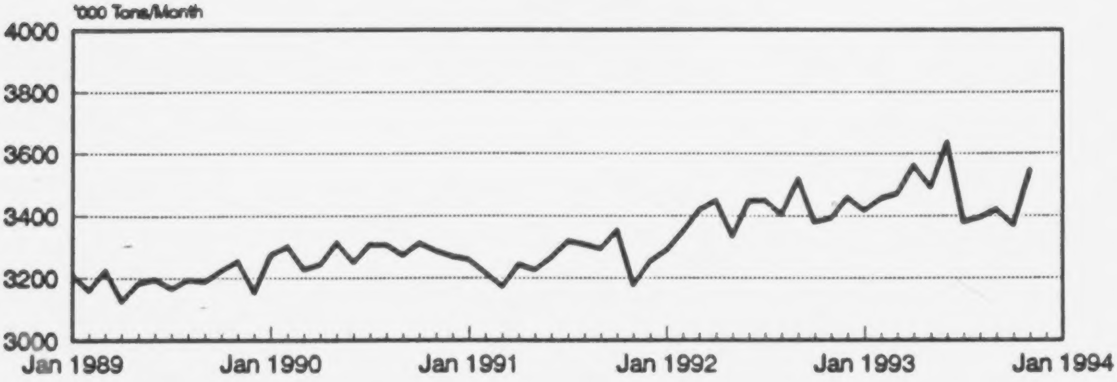
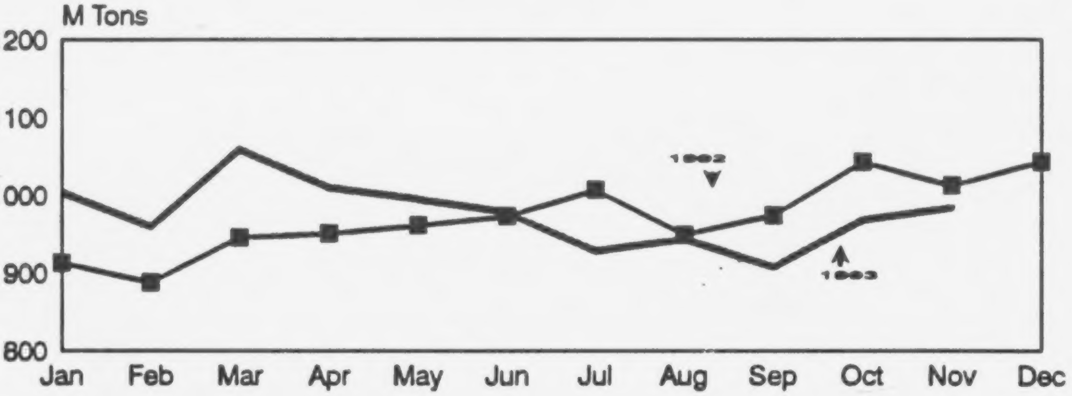


PAPER PRODUCTION
seasonally adjusted

Shipments of newsprint to the U.S. from all sources – domestic, Canadian, and overseas – exceeded year-ago levels during the first five months of 1993 but have generally lagged since then. (See chart.) Through November, however, total newsprint shipments to the U.S. market were up 1.2%.



Monthly Newsprint Shipments From All Sources to the U.S.

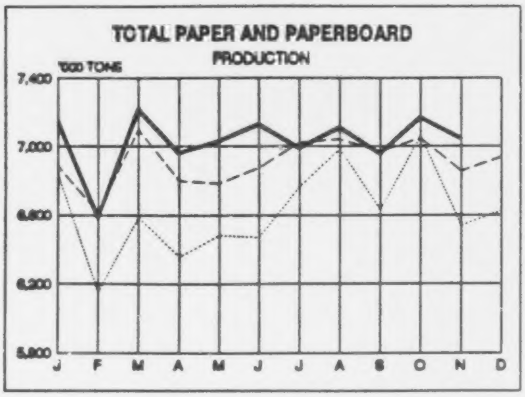
U.S. shipments of newsprint to the domestic market trailed their year-ago volume by 1.4% through November, while Canadian shipments to the U.S. were up 2.5%. These divergent growth patterns caused the U.S. share of total shipments to the domestic market to decline from 50.3% in 1992 to 48.1% during the first eleven months of 1993.

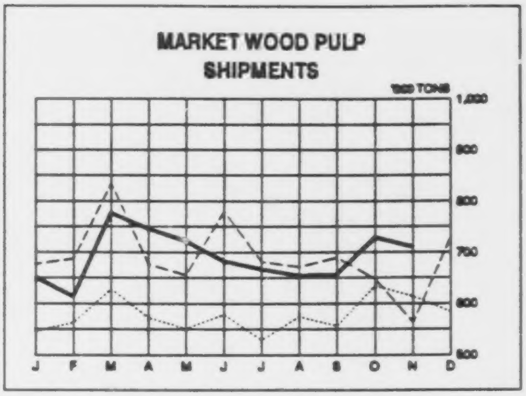
New Supply of the four major printing-writing grades (U.S. shipments plus imports less exports) posted a brisk 5.1% gain through November, although the bulk of the expansion was accounted for by net imports. Domestic shipments were up 1.9% relative to their year-ago level.

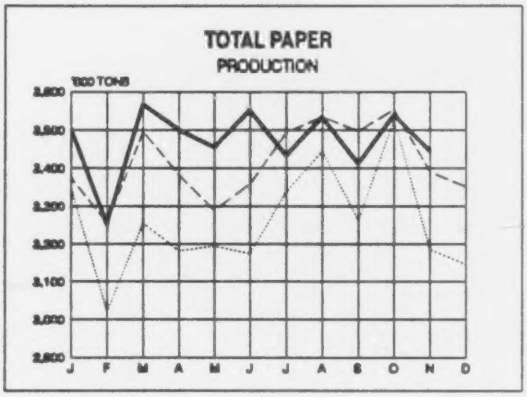
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR 1991	YEAR 1992	AUG 1993	SEP 1993	OCT (R) 1993	NOV (P) 1993	Annual Rate Y-T-D 1993	% Change From Same Period Last Year
PAPER								
Newsprint – Production	6,841	7,082	606	572	609	594	7,090	0.0
– Shipments	6,784	7,125	594	593	598	604	7,049	-1.1
Printing & Writing: Total Shipments	22,064	23,394	2,013	1,969	2,014	1,962	23,939	2.2
Groundwood Paper – Shipments	1,716	1,609	137	148	161	147	1,739	8.3
– New Orders	1,717	1,655	139	164	180	124	1,786	7.1
– Unshipped Orders	220	164	171	182	190	159	159	1.0
Coated Groundwood – Shipments	4,040	4,364	347	342	333	347	4,304	-1.1
Coated Free Sheet – Shipments	3,319	3,755	358	335	340	319	3,902	3.8
Total Coated Papers – Shipments	7,358	8,119	706	677	674	666	8,206	1.1
– New Orders	7,342	8,151	676	606	657	613	8,054	-1.2
– Unshipped Orders	891	803	694	662	671	612	612	-23.7
Uncoated Free Sheet – Shipments	11,504	12,170	1,044	1,008	1,037	1,011	12,392	1.6
– New Orders	11,407	12,293	1,040	1,017	1,023	982	12,525	2.2
– Unshipped Orders	690	720	881	891	881	837	837	22.4
Thin Papers – Shipments	197	175	10	14	14	13	156	-10.7
Cotton Fiber Paper – Shipments	142	159	14	14	14	13	164	2.3
Bleached Bristols – Shipments	1,146	1,163	103	107	114	112	1,282	10.0
Tissue Paper – Production	5,669	5,784	523	481	518	496	5,993	3.6
Total Packaging & Other Paper	4,509	4,713	392	389	396	391	4,647	-2.1
Unbl. Kraft Paper – Shipments	2,280	2,380	186	186	187	190	2,266	-5.7
Bl. Kraft Paper – Shipments	421	403	39	35	37	34	402	-0.3
Specialty Pkg. Paper – Production	637	687	61	60	67	59	719	4.4
Special Industrial Paper – Production	1,172	1,244	105	108	107	109	1,260	0.7
TOTAL PAPER PRODUCTION – UNADJUSTED	39,082	40,973	3,533	3,411	3,539	3,445	41,669	1.5
TOTAL PAPER PRODUCTION – SEAS ADJ			3,394	3,422	3,371	3,545	41,620	1.9
PAPERBOARD – PRODUCTION								
Containerboard	28,048	29,357	2,455	2,441	2,506	2,492	29,407	0.9
Cont'bd For Dom Use for Fibre Boxes	24,484	25,746	2,171	2,179	2,222	2,177	26,134	1.9
Total Linerboard	17,006	17,785	1,489	1,514	1,552	1,510	18,160	2.5
Unbleached Kraft	16,213	16,850	1,364	1,378	1,424	1,402	16,714	-0.7
Solid Bleached	170	150	13	11	12	13	145	-4.0
Recycled	623	784	113	125	116	95	1,301	78.8
Corrugating Medium	7,479	7,961	682	666	670	667	7,974	0.6
Semichemical	5,487	5,722	496	474	481	476	5,714	0.1
Recycled *	1,992	2,239	186	192	189	191	2,260	1.8
Other Containerboard for Dom Use	301	345	23	25	23	24	312	-6.8
Containerboard for Export	3,263	3,267	262	237	260	291	3,051	-8.2
Boxboard	12,369	12,611	1,121	1,106	1,126	1,107	13,206	4.8
Boxboard for Packaging for Dom Use	7,326	7,390	663	649	643	642	7,717	4.2
Folding Boxboard	5,589	5,651	503	497	500	487	5,914	4.2
Solid Bleached	1,938	1,888	169	165	165	165	1,967	4.3
Unbleached Kraft	1,124	1,143	97	106	97	91	1,196	4.0
Recycled	2,526	2,620	238	226	238	232	2,749	4.3
Set-up Boxboard for Dom Use	275	283	28	24	31	28	309	7.2
Milk Carton & Food Service Dom Use	1,463	1,457	132	127	112	127	1,495	3.5
Other Boxboard for Domestic Use	3,980	4,158	366	377	398	376	4,410	5.8
Boxboard for Export	1,063	1,063	92	80	85	89	1,079	2.8
Paperboard Production by Furnish	40,416	41,968	3,576	3,547	3,632	3,596	42,703	2.0
Unbleached Kraft	20,960	21,658	1,750	1,753	1,818	1,814	21,375	-1.2
Semichemical	5,657	5,902	511	485	493	489	5,882	-0.2
Solid Bleached Kraft	4,572	4,503	396	382	371	387	4,571	1.8
Recycled	9,227	9,906	918	928	950	909	10,876	10.3
Paperboard Production for Export	4,316	4329	354	317	356	380	4,129	-4.0
Unbleached Kraft	3,323	3,320	267	245	273	296	3,151	-4.2
Semichemical	170	180	15	11	12	13	167	-8.7
Bleached Kraft	743	756	63	57	66	62	732	-3.0
Recycled	80	72	8	4	5	8	79	8.1
TOTAL PAPERBOARD PRODUCTION – UNADJ	40,416	41,968	3,576	3,547	3,632	3,596	42,703	2.0
TOTAL PAPERBOARD PROD – SEAS ADJ			3,517	3,556	3,582	3,676	42,632	2.0
PAPER AND PAPERBOARD – UNADJ	79,498	82,941	7,110	6,958	7,171	7,044	84,372	1.8
PAPER AND PAPERBOARD – SEAS ADJ			6,911	6,979	6,953	7,220	84,252	2.0

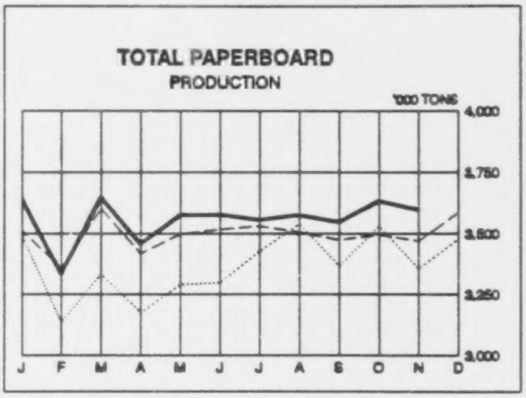
R – Revised   P – Preliminary   Seas. Adj. – Seasonally Adjusted   Unadj. – Not Seasonally Adjusted

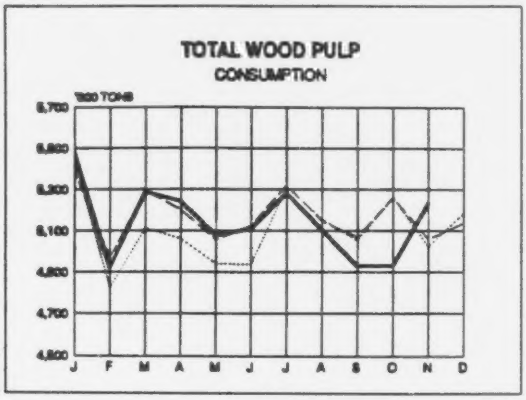
* Container Chip and Fiber reclassified into Recycled Corrugating Medium

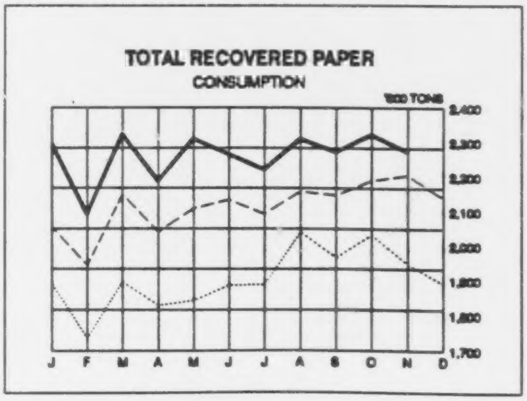












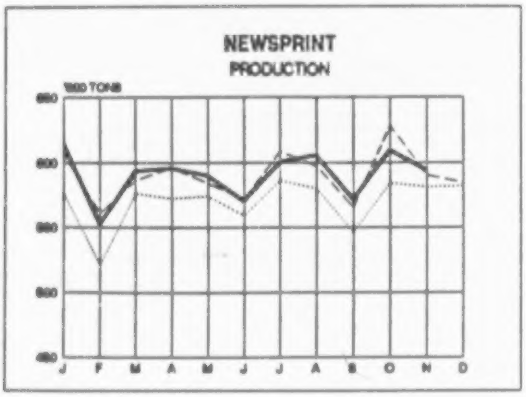
1991 .... 1992 ----- 1993 ▬▬▬

WOOD PULP STATISTICS (Thousands of Tons)		YEAR		IVQ	IQ	IIQ	IIIQ	Annual Rate Y-T-D	% Change From Same Period
		1991	1992	1992	1993	1993	1993	1993	Last Year
TOTAL WOOD PULP									
Total Wood Pulp (Paper Grades)	Production	62,266	63,960	15,859	15,723	15,647	15,517	62,516	-2.5
	Imports	4,824	4,882	1,260	1,400	1,274	1,353	5,369	11.2
	Exports	5,566	6,421	1,490	1,490	1,546	1,387	5,898	-10.3
	New Supply	61,524	62,421	15,629	15,633	15,285	15,482	61,867	-1.0
Paper Grades Chemical Pulp	Production	51,768	53,358	13,150	13,142	13,084	12,997	52,298	-2.4
	Imports	4,504	4,570	1,177	1,280	1,156	1,258	4,924	8.8
	Exports	5,516	6,321	1,447	1,453	1,511	1,371	5,781	-11.1
	New Supply	50,756	51,607	12,880	12,969	12,728	12,883	51,441	-0.4
Groundwood and Thermo-Mech.	Production	6,404	6,501	1,704	1,576	1,555	1,515	6,196	-3.1
	Imports	320	312	83	121	119	95	445	45.7
	Exports	50	100	43	38	35	16	117	54.0
	New Supply	6,673	6,713	1,744	1,659	1,639	1,594	6,524	-1.5
Semi-Chemical	Production	4,094	4,101	1,006	1,005	1,008	1,005	4,023	-2.5
	Imports								
	Exports								
	New Supply	4,094	4,101	1,005	1,005	1,008	1,005	4,023	-2.5
MARKET WOOD PULP									
Paper Grades Chemical Pulp	Production	7,660	8,670	2,125	2,030	2,048	2,048	8,169	-6.4
	Imports	2,816	2,946	726	792	736	788	3,088	4.4
	Exports	5,169	5,906	1,376	1,319	1,443	1,288	5,400	-10.6
	New Supply	5,307	5,709	1,475	1,504	1,340	1,548	5,857	3.7

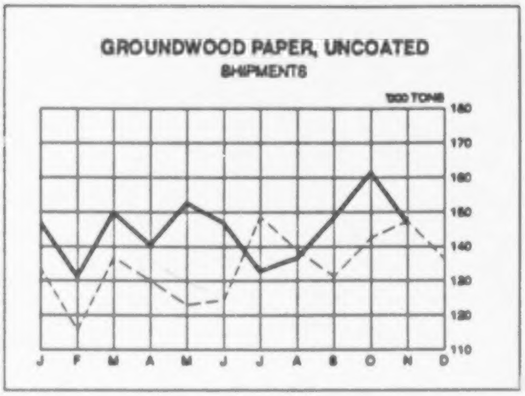
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		IVQ	IQ	IIQ	IIIQ	Annual Rate Y-T-D	% Change From Same Period
	1991	1992	1992	1993	1993	1993	1993	Last Year
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	84,146	87,366	21,991	22,391	22,190	22,121	88,936	2.0
Total Wood Pulp	61,301	62,011	15,458	15,683	15,429	15,318	61,906	-0.3
Recovered Paper	22,845	25,355	6,533	6,708	6,761	6,803	27,030	7.7
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	219	228	194	202	205	252	252	10.3
Producers' Market Inventories	518	710	882	872	789	839	839	18.2
Consumers' Purchased Inventories *	451	374	407	450	400	377	377	0.9
Recovered Paper at Paper & Bd. Mills	1,113	1,143	1,147	1,065	1,073	1,062	1,062	-7.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	23	41	41	38	32	41	41	28.1

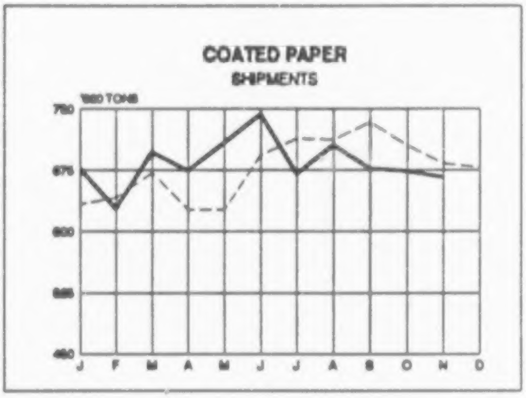
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA. N.A. - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.



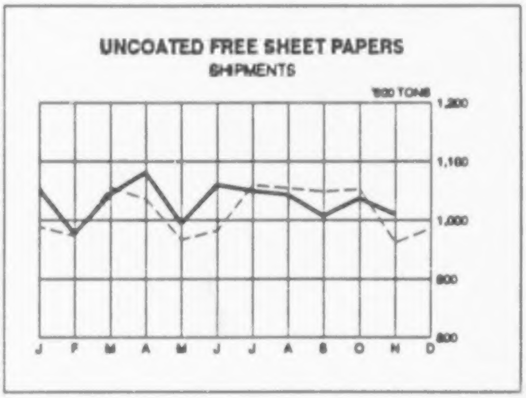
NEWSPRINT
PRODUCTION



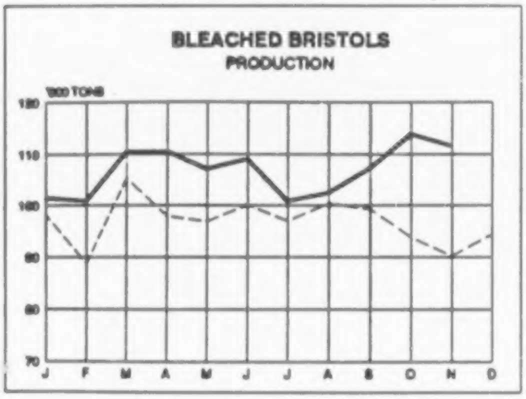
GROUNDWOOD PAPER, UNCOATED
SHIPMENTS



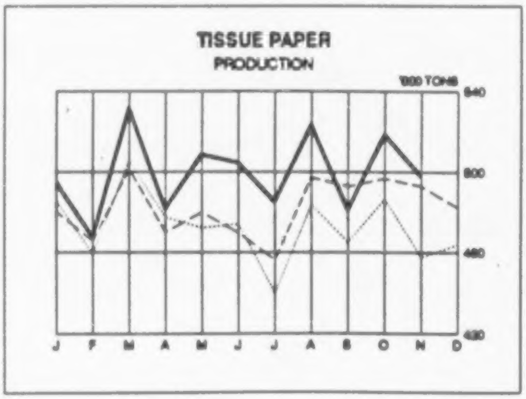
COATED PAPER
SHIPMENTS



UNCOATED FREE SHEET PAPERS
SHIPMENTS



BLEACHED BRISTOLS
PRODUCTION



TISSUE PAPER
PRODUCTION

1991 .... 1992 ----- 1993 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 Cu. ft.) Cords	YEAR 1991	YEAR 1992	Aug 1993	Sep 1993	Oct 1993	Nov 1993	ANNUAL RATE Y-T-D 1993	% CHANGE FROM SAME PD LAST YEAR
PULPWOOD								
Total U.S. – Total Receipts	99,869	102,891	8,828	8,880	8,880	8,741	105,873	2.8
– Total Consumption	98,242	104,888	8,618	8,547	8,846	8,678	106,023	1.0
– Residues *	34,067	39,784	3,800	3,572	3,840	3,512	43,076	8.7
– Inventories	5,664	5,814	5,167	5,563	5,951	5,430	5,630	2.9
So. Atlantic – Total Receipts	31,296	33,784	2,846	2,889	2,862	2,890	34,880	4.2
– Total Consumption	31,626	34,016	2,882	2,766	2,888	2,810	34,886	2.5
– Residues *	18,166	13,173	1,257	1,231	1,277	1,265	14,698	14.4
– Inventories	1,264	1,169	1,264	1,489	1,514	1,466	1,496	16.7
Northeast – Total Receipts	7,366	7,611	688	689	639	614	7,776	4.8
– Total Consumption	6,840	7,341	649	647	610	651	7,736	5.9
– Residues *	1,707	1,800	148	148	131	140	1,780	–0.8
– Inventories	425	347	314	300	364	326	326	–6.7
South Central – Total Receipts	38,761	42,885	3,788	3,657	3,764	3,794	44,387	4.7
– Total Consumption	36,321	42,866	3,647	3,578	3,640	3,662	46,816	8.1
– Residues *	11,706	15,644	1,478	1,460	1,486	1,485	17,678	14.2
– Inventories	1,987	1,786	1,808	1,864	2,001	2,066	2,066	4.9
North Central – Total Receipts	7,307	7,310	619	606	627	664	7,323	1.0
– Total Consumption	7,313	7,280	611	646	637	630	7,477	2.4
– Residues *	1,187	1,130	88	88	84	87	1,061	–7.3
– Inventories	866	813	684	741	729	664	664	–16.6
West – Total Receipts	14,082	12,701	918	888	867	878	11,427	–11.1
– Total Consumption	13,648	12,947	947	861	920	868	11,807	–13.2
– Residues *	8,884	8,126	639	615	661	606	7,740	–8.1
– Inventories	1,419	1,219	1,246	1,298	1,363	1,329	1,329	1.6

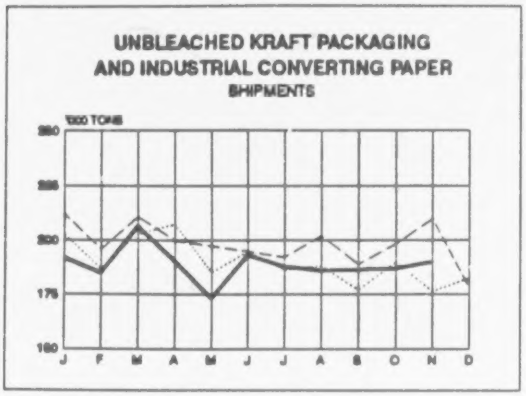
SOURCE: American Pulpwood Association

* – Consumption of Residues in cords equivalent

UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA YEAR 1992 Tons	YEAR 1992 ($000)	September 1993 Tons	September 1993 ($000)	October 1993 Tons	October 1993 ($000)	ANNUAL RATE Y-T-D 1993 Tons	% CHANGE FROM SAME PD LAST YEAR
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood chips	610,775	18,373	25,460	1,435	27,396	1,395	385,898	–27.7
Wood Pulp, Total	4,272,013	1,769,416	341,614	118,679	375,066	118,472	4,712,724	10.3
Waste Fibrous Materials, Total	134,916	38,340	10,283	1,468	8,623	1,382	136,944	4.0
Paper, Board & Products, Total	10,842,116	5,877,861	889,611	476,430	864,852	514,617	11,882,294	7.6
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	10,656,868	5,469,006	876,796	425,034	870,784	468,075	11,389,695	7.3
Paper, Paperboard & Products	10,861,734	5,847,813	867,860	472,360	883,203	511,824	11,428,930	8.4
Paper & Paperboard, Only	10,518,949	5,462,570	864,945	421,984	868,336	463,065	11,176,301	7.3
Paper, Total	9,678,943	5,130,394	784,889	393,825	877,850	436,935	10,275,193	7.4
Newsprint	7,240,225	3,505,746	557,562	247,942	587,834	262,821	7,657,817	7.5
Printing, Writing & Rel. Pap.	2,095,864	1,384,778	168,437	130,064	213,019	127,821	2,275,348	7.9
Pack. & Ind. Conv. Paper	216,420	131,427	18,861	12,290	16,481	9,338	298,161	–4.1
Special Industrial Paper	69,296	86,042	5,667	8,289	4,782	8,040	62,345	6.0
Tissue Paper	56,861	46,306	6,143	4,839	6,305	4,721	72,848	28.0
Paperboard, Total	849,006	332,575	78,396	26,061	81,386	26,747	901,180	6.2
Convtd Paper&Paperbd Products	323,218	484,943	38,015	50,406	33,848	46,739	382,629	24.4
Wet Machine Board	613	721	19	16	104	92	839	–8.7
Construction Paper & Board	118,436	29,417	11,832	3,034	11,344	2,800	122,825	5.5

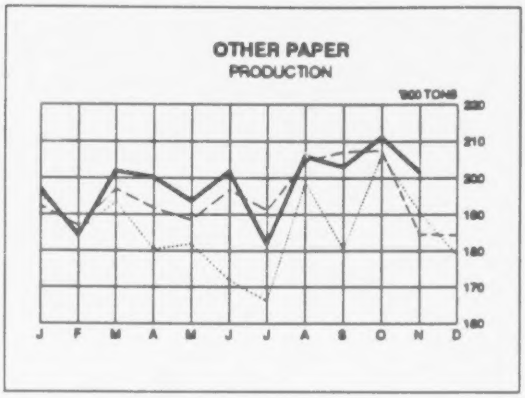
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,304,576	69,233	196,818	5,870	172,926	5,264	2,279,651	9.5
Pulpwood chips	384,094	18,939	89,918	1,900	86,899	1,431	327,908	–17.1
Wood Pulp, Total	444,675	145,864	28,194	8,129	28,571	11,282	318,398	–27.0
Cotton Pulp & Other Pulp	11,296	6,756	365	180	877	238	6,182	–44.9
Waste Paper	768,902	115,634	99,089	11,896	100,189	11,609	1,195,068	60.3
Paper, Board & Products, Total	1,606,736	1,632,651	161,887	164,857	148,887	162,979	1,722,836	7.1
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	1,164,146	895,482	116,163	96,881	106,380	96,006	1,242,489	7.8
Paper, Paperboard & Products	1,597,667	1,628,318	161,116	164,283	148,106	162,611	1,716,126	7.5
Paper & Paperboard, Only	1,052,947	989,099	109,393	96,387	105,926	94,869	1,206,896	7.8
Paper, Total	687,306	696,351	94,808	67,695	84,862	68,892	678,630	–8.4
Newsprint	34,888	17,241	645	380	646	381	18,106	–88.2
Printing, Writing & Rel. Pap.	486,673	490,148	28,965	38,370	38,486	38,494	480,904	–6.7
Pack. & Ind. Conv. Paper	66,267	46,517	6,398	4,180	4,967	3,916	66,380	–9.6
Special Industrial Paper	67,866	117,490	7,762	12,906	7,411	10,412	87,496	81.0
Tissue Paper	28,574	27,966	2,427	2,266	3,472	3,346	34,872	16.6
Paperboard, Total	465,677	382,748	54,364	38,882	51,376	38,947	567,086	28.4
Convtd Paper&Paperbd Products	444,696	660,219	41,824	67,876	42,176	67,943	460,430	6.7
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	11,039	4,383	871	384	461	167	6,801	–41.4

SOURCE: Bureau of Census, Department of Commerce



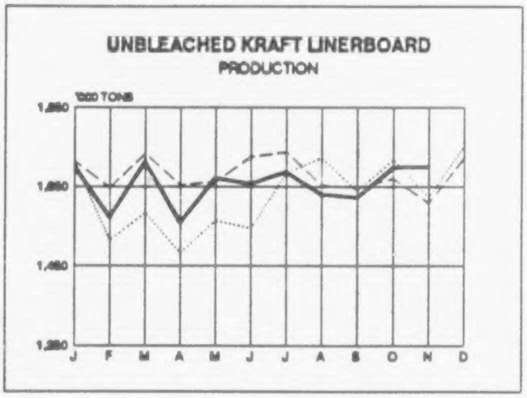
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



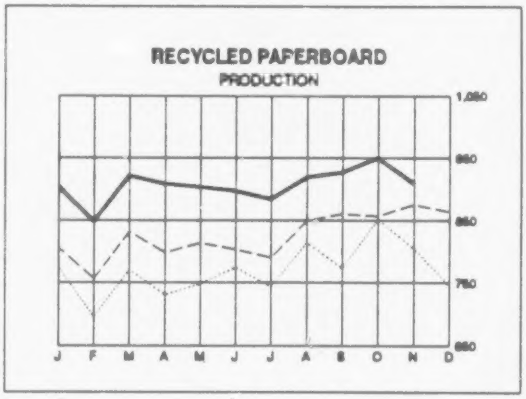
OTHER PAPER

PRODUCTION



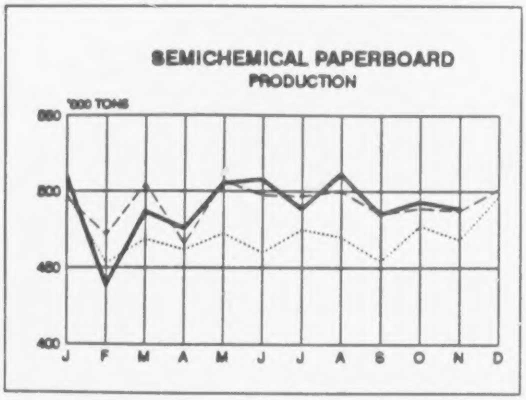
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



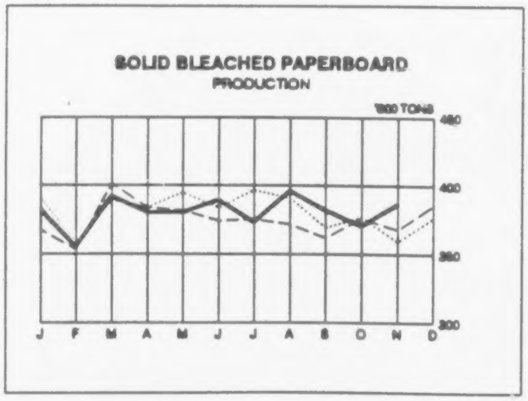
RECYCLED PAPERBOARD

PRODUCTION



SEMICHEMICAL PAPERBOARD

PRODUCTION



SOLID BLEACHED PAPERBOARD

PRODUCTION

1991 .... 1992 ----- 1993 ▬▬

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1992		September 1993		October 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	512,961	16,462	124,158	4,080	109,309	2,010	758,590	50.0
Total All Imports	17,731,961	10,028,235	1,573,165	840,116	1,734,095	818,850	19,579,824	11.0
Wood Pulp Total	5,029,302	2,094,235	418,962	136,922	452,161	147,258	5,460,309	8.3
Waste Paper	149,656	27,658	12,588	2,034	10,976	1,709	137,667	-8.0
Other Fibrous Materials	10,340	7,022	896	574	197	131	6,305	-37.7
Paper Board & Products Total	12,542,663	7,899,310	1,140,696	700,586	1,270,761	769,751	13,974,843	12.4
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	12,112,101	6,754,223	1,095,970	586,041	1,222,323	650,635	13,485,718	12.3
Paper Ppbd & Prds ex Cnst&WMB	12,405,377	7,853,513	1,127,255	696,121	1,258,029	765,584	13,833,562	12.5
Paper & Paperboard Only	11,975,314	6,710,426	1,082,526	581,575	1,209,591	646,467	13,344,437	12.4
Paper Total	11,031,196	6,296,038	991,636	544,855	1,112,893	607,909	12,284,969	12.5
Newsprint	7,339,583	3,596,986	667,919	250,320	652,664	287,307	7,821,254	8.4
Printing & Writing	3,173,196	2,100,089	378,291	241,806	419,699	266,813	3,978,848	25.3
Uncoated Groundwood	1,418,885	569,708	150,891	80,759	204,013	117,143	1,734,845	22.0
Coated Print.& Impreg. Pap.	830,064	808,376	113,478	82,862	112,383	83,448	1,143,062	37.8
Uncoated Free Sheet	902,147	600,413	94,207	57,952	92,531	57,925	976,714	22.2
Thin (except Cigarette)	11,821	15,303	609	983	652	902	7,673	-37.3
Bristols	110,290	116,289	10,105	9,843	10,110	8,795	118,625	4.4
Total Pkg & Other Paper	452,286	541,617	37,411	46,897	32,234	45,770	404,300	-12.4
Unbleached Kraft Paper	228,001	106,122	17,636	9,701	13,428	8,814	176,161	-25.3
Other Pkg. & Indust. Paper	224,285	435,495	19,775	37,196	18,806	36,956	228,139	1.1
Tissue	66,130	55,346	6,016	5,829	7,996	6,019	80,767	24.8
Paperboard, Total	944,117	414,388	90,889	36,721	96,697	38,559	1,059,448	11.4
Kraft Paperboard	176,950	69,644	18,575	6,900	23,945	8,174	213,721	22.0
Semi-Chemical Corrugating	148,131	38,790	24,715	5,738	25,797	6,274	256,414	85.7
Other Paperboard	619,036	305,954	47,599	24,083	47,255	24,111	590,313	-7.5
Convtd Paper&Paperbd Products	430,562	1,145,087	44,729	114,546	48,438	119,116	489,125	15.5
Paper Products, Total	304,048	891,733	32,067	88,849	35,535	94,170	350,008	17.5
Paperboard Products, Total	126,515	253,353	12,661	25,697	12,903	24,947	139,117	10.7
Wet machine Board	933	816	43	32	110	97	870	-3.7
Construction Paper & Board E	135,853	42,961	13,401	4,433	12,623	4,071	140,311	5.8
Notes								
Other: No Weight Avail. ($000)		151,879		15,120		18,472	170,170	8.1
Total Imports Incl. Other($000)		10,180,113		855,236		837,321	10,692,173	5.2

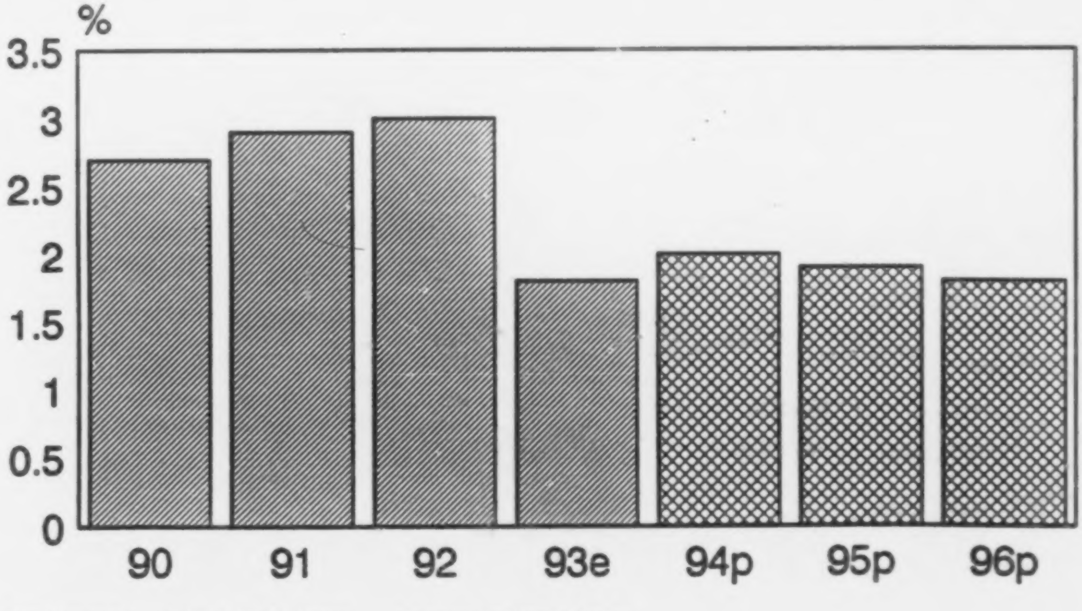
PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1992		September 1993		October 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood, Roundwood (cubic meters)	2,252,713	63,909	203,723	5,967	174,518	5,281	2,348,990	10.0
Pulpwood Chips	5,651,111	474,425	418,819	33,718	590,670	43,124	5,197,900	-8.1
Total All Exports	22,756,589	10,241,859	1,793,565	793,642	1,767,880	776,048	21,433,613	-5.8
Wood Pulp,Total	7,222,258	3,114,419	526,143	190,992	445,301	161,107	6,438,145	-12.5
Cotton Pulp and Other Pulp	115,956	92,001	13,162	9,271	12,849	7,316	127,502	10.5
Waste and Old Paper	6,447,655	643,516	484,702	42,388	523,499	44,960	5,871,507	-8.4
Paper, Board & Products,Total	8,970,720	6,391,924	759,558	550,991	786,432	562,665	8,906,458	-0.7
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,559,285	4,305,067	615,020	344,276	658,691	357,783	7,427,647	-2.7
Paper, Ppbd & Prod ex Cnst&WMB	8,946,054	6,379,472	757,241	549,952	783,794	561,554	8,869,111	-0.7
Paper & Paperboard, Only	7,534,619	4,292,615	612,704	343,236	656,054	356,671	7,400,300	-2.7
Paper, Total	2,635,060	2,061,388	221,679	172,001	219,322	174,976	2,578,590	-1.4
Newsprint	1,022,756	467,357	94,876	44,350	87,500	45,536	996,709	-1.4
Printing & Writing	1,158,188	1,022,740	91,082	79,640	85,097	77,685	1,132,289	-2.2
Uncoated Groundwood	116,020	82,732	12,432	8,430	9,133	6,825	115,442	-4.8
Clay Coated Paper	360,797	304,699	27,140	21,806	24,932	21,253	339,552	-4.1
Uncoated Free Sheet	448,985	446,094	31,852	33,576	33,366	36,212	428,546	-4.0
Other Printing & Writing	232,386	189,215	19,658	15,827	17,666	13,595	248,749	5.6
Total Pkg. & Other Paper	381,842	483,062	31,424	41,579	30,296	42,740	381,439	1.4
Unbleached Kraft	141,106	73,814	11,774	6,155	10,170	5,587	129,635	-8.0
Other Pkg. & Indust. Paper	240,736	409,247	19,650	35,425	20,126	37,153	251,804	7.8
Tissue	72,274	68,230	4,297	6,431	6,425	9,016	68,153	-5.1
Paperboard, Total	4,899,559	2,231,227	391,025	171,236	436,731	181,695	4,821,710	-3.3
Solid Wood Pulp	4,657,574	2,094,365	370,042	158,795	417,458	170,524	4,548,557	-4.1
Total Linerboard	3,224,393	1,107,369	233,551	71,922	285,022	78,928	2,910,581	-11.8
Bleached Kraft Linerboard	65,802	37,914	1,655	1,188	959	699	13,598	-82.0
Unbleached Kraft Linerbd	3,158,792	1,069,456	231,895	70,734	284,063	78,229	2,896,988	-10.1
Other Unbleached Kraft	398,633	211,163	38,396	18,214	43,288	18,399	528,432	30.4
Other Bleached Kraft	958,949	751,904	83,390	64,239	89,544	70,074	1,002,060	4.8
Semi-Chemical Corrugating	75,598	23,928	16,703	4,420	9,604	3,124	107,484	34.3
Recycled Paperboard	241,985	136,882	20,983	12,440	19,273	11,171	273,153	10.6
Convtd Paper&Paperbd Products	1,411,436	2,086,857	144,537	206,716	127,740	204,882	1,568,811	10.1
Paper Products, Total	638,904	1,347,561	75,189	138,558	59,749	132,699	709,802	10.2
Paperboard Products, Total	772,532	739,295	69,348	68,158	67,991	72,183	859,009	10.1
Wet Machine Board	883	299	0	0	0	0	690	-34.9
Construction Paper & Board E	23,783	12,164	2,316	1,039	2,638	1,112	26,657	5.5
Notes								
Other: No Weight Avail. ($000)		77,411		8,393		8,638	86,317	10.8
Total Exports Incl. Other($000)		10,319,270		800,034		784,687	9,634,789	-7.7

SOURCE: Bureau of Census, U.S. Department of Commerce. E – Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year–To–Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1991	YEAR 1992	AUG 1993	SEP 1993	OCT 1993	NOV 1993	Annual Rate Y-T-D 1993	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.8	129.2	127.1	126.7	126.9	126.9	127.6	-1.2
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.9	129.4	127.3	126.9	127.2	127.2	127.8	-1.3
Total Wood Pulp	119.2	118.9	102.4	102.1	99.6	98.7	104.8	-12.1
Total Paper	127.0	123.2	124.6	124.4	124.1	123.7	123.8	0.5
Writing Paper, exc. Newsprint	124.8	120.2	121.8	121.8	121.3	120.6	120.5	0.2
Newsprint	120.9	110.0	112.6	111.0	110.6	110.7	112.1	1.9
Total Paperboard	130.2	134.3	127.6	127.9	129.6	130.5	130.0	-3.3
Total Paper and Paperboard *	128.0	126.7	125.5	125.5	125.8	125.8	125.7	-0.8
Converted Products	134.8	134.8	133.3	132.5	132.9	133.1	133.6	-0.8
Waste Paper	121.3	117.4	114.8	112.0	112.1	107.4	119.2	2.0
All Commodities	116.5	117.2	118.8	118.7	119.1	118.9	118.9	1.6
Industrial Commodities	116.5	117.4	118.9	118.8	119.4	118.6	119.1	1.5

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

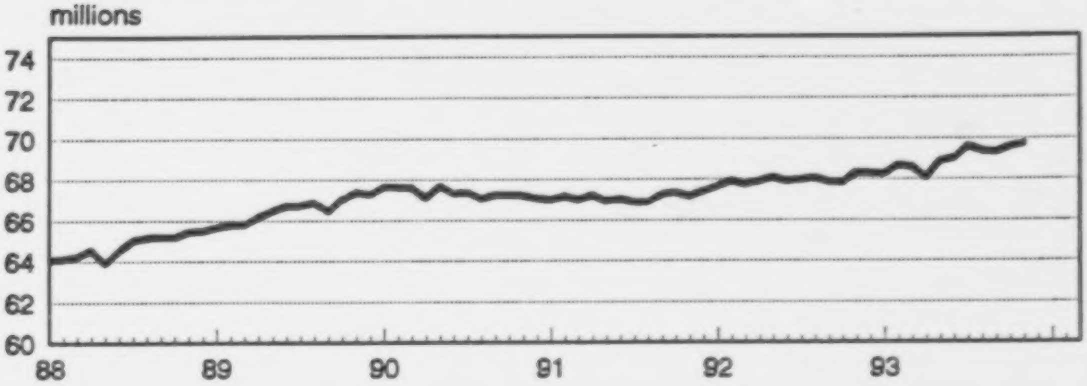
ANNUAL CAPACITY GROWTH



Source: AF&PA Inc. p=projection

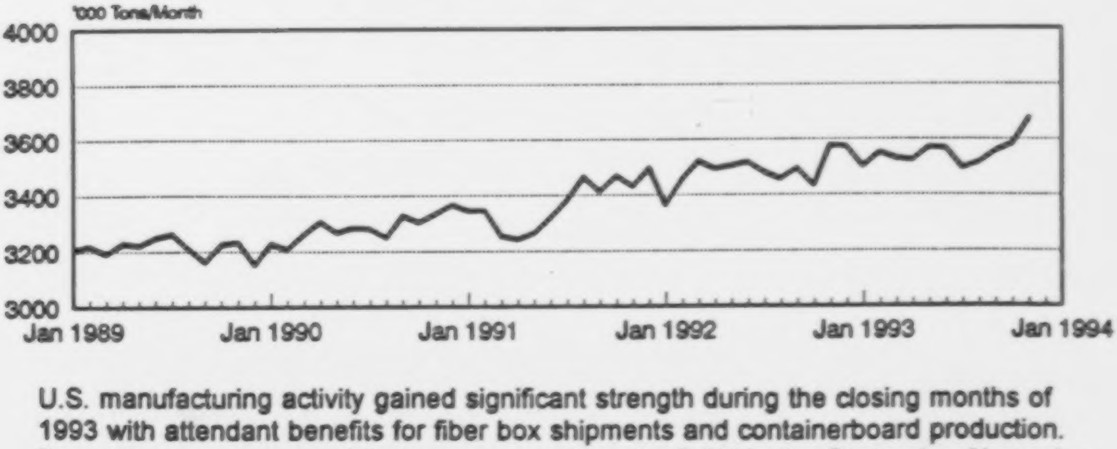
The strong gains in domestic consumption of printing-writing papers appear to have been attributable to (1) an acceleration in white collar employment growth (see graph) and (2) a selective firming in advertising markets. Advertising expenditures data, as compiled by McCann-Erickson and adjusted for price changes by AF&PA, suggest that magazine advertising activity rose some 4% last year, while direct mail advertising volume was up 6%. Newspaper advertising activity rose an estimated 2.3% based on deflated advertising revenues.

White Collar Employment Patterns



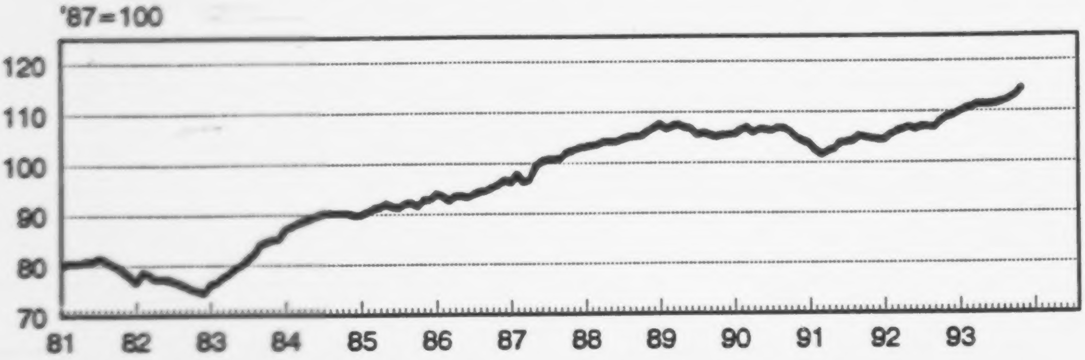
Paperboard: Seasonally-adjusted paperboard production has trended higher since August of 1993, obtaining a record high annualized rate of 43.5 million tons in the October-November period. The pickup was prompted by increased domestic packaging demand and an limited improvement on the export front. In particular, paperboard production for export rebounded to an annual rate of 4.4 million tons in the October-November period, versus a year-to-date average annual rate of 4.1 million tons.

PAPERBOARD PRODUCTION
seasonally adjusted



U.S. manufacturing activity gained significant strength during the closing months of 1993 with attendant benefits for fiber box shipments and containerboard production. Box shipments surpassed their year-ago volume by 7.8% in the September-November period, lifting their year-to-date increase to 4.1%. The pickup in manufacturing activity as measured by the Federal Reserve Board is depicted by the chart below:

MANUFACTURING OUTPUT

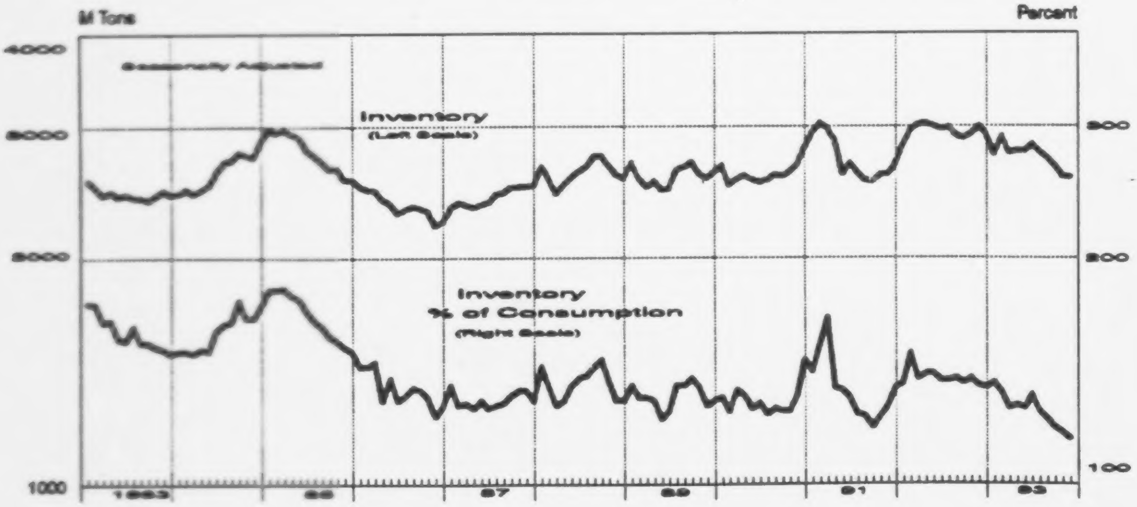


U.S. containerboard production was up a relatively slim 0.9% through November of 1993, far shy of the year's robust increase in fibre box demand. Two factors were responsible for the sluggishness – inventory drawdowns and weak export demand through most of the year.

Roll stocks at mills and box plants, which are plotted on a seasonally-adjusted basis by the following graph, were reduced by some 526,000 tons during the first eleven months of 1993, versus a 165,000 ton expansion during the corresponding 1992 time frame. The net swing of 691,000 tons reduced 1993 containerboard growth by about 2.4 percentage points in 1993. Additionally, had exports remained at 1992 levels, containerboard production would have been 0.7 percentage points higher in 1993.

CONTAINERBOARD INVENTORY

Mill and Box Plant



Boxboard production, which was less subject to the headwinds of inventory drawdowns and soft foreign markets than containerboard demand, posted a robust 4.6% gain through November of 1993. In the most recent three-month period for which data are available (September-November), output of boxboard was up 5.6% relative to year-ago.

Production of boxboard for export was up 2.8% through November, with the principal gains coming from the unbleached kraft folding segment.

CAPACITY SURVEY HIGHLIGHTS

AF&PA's 1993 Capacity Survey reports that the industry plans to expand capacity to produce paper and paperboard by 5.3 million tons between 1994 and 1996, yielding an average annual growth rate of 1.9%. During the previous ten years, capacity expanded at an average annual rate of 2.5%.

Wood pulp capacity is expected to grow 0.6% a year in the 1994-96 period, versus 1.9% a year during the previous decade. These plans are consistent with a scenario of restrained economic expansion. Individual grade highlights are as follows:

Newsprint. U.S. newsprint capacity will decline from 7.3 million annual tons in 1992 to 7.2 million tons this year and is expected to remain at that level over the three future years covered in this survey.

Printing and Writing Papers: Capacity for this category is projected to grow at a 1.9% annual rate in the 1994-96 period, down from 3.5% growth in the prior ten years. Growth during the projection period will be fastest for uncoated free sheet --2.4% a year -- and slowest for uncoated and coated groundwood 1.1% and 1.2% a year, respectively.

Tissue Papers: Back-to-back capacity increases of 2.7% and 1.9% in 1992 and 1993 will bring the industry potential to produce tissue products to 6.5 million annual tons this year. During the upcoming three years, growth in capacity is expected to average 1.9% a year.

Packaging & Industrial Converting: Pulled down by reductions in unbleached kraft paper capacity, overall capacity to produce packaging and industrial converting papers declined 1.5% in 1993 and is projected by the Survey to trend up 0.6% a year in the upcoming three years.

Containerboard: While capacity for containerboard as a whole is reported to expand at a comparatively modest 2.2% average annual rate over the three-year period 1994-1996, recycled grades are expected to expand at a 10.1% annual rate and to account for almost 70% of the total anticipated gain of 2.1 million annual tons.

Solid Bleached Paperboard: The start-up in late 1993 of a new solid bleached paperboard machine and the expected start-up of a second new machine in 1995 will contribute to capacity gains totalling 639,000 tons yielding an average annual growth rate for the projection period (1994-96) of 4.1% a year.

Recycled Paperboard (other than containerboard): This category includes folding carton, set-up, gypsum wallboard facing and other packaging and non-packaging grades. Capacity increased by 0.9% in 1993 to 7.7 million tons and is projected by the Survey to expand at a 1.2% average annual rate over the forecast period.
Market Pulps: Net capacity to produce bleached sulfate market pulp declined by 32,000 annual tons in 1993, and is reported to decline by a further 160,000 annual tons by 1996. These reductions reflect idled mills and the integration of market pulp to on-site papermaking.

Continuing a trend reported in our survey last year, market pulp manufactured from recovered paper is gaining industry-wide acceptance, and capacity to produce these pulps is expanding at a rapid rate. From a potential for 424,000 tons per year in 1992, respondents to this survey report plans to expand capacity to 1.7 million tons per year in 1996.

Copies of the Survey have to sent to member companies and are available to non-members for $375 (domestic) and $395 (overseas).

MONTHLY STATISTICAL SUMMARY INSERT
VOL. 71, NO. 12
DECEMBER, 1993

PRODUCTION

(000 TONS)	(P) NOV 1993	(R) OCT 1993	NOV 1992	FIRST ELEVEN MONTHS 1993	FIRST ELEVEN MONTHS 1992	% CHANGE YR TO DATE 1993/1992
PAPER GRADES						
Newsprint	594	609	591	6,499	6,497	0.0
Printing & Writing	1,962	2,014	1,911	21,944	21,472	2.2
Uncoated Groundwood (s)	147	161	147	1,594	1,472	8.3
Coated Groundwood (s)	347	333	367	3,945	3,987	-1.1
Coated Free Sheet (s)	319	340	316	3,577	3,453	3.6
Total Coated Paper (s)	666	674	683	7,522	7,440	1.1
Uncoated Free Sheet Paper (s)	1,011	1,037	963	11,360	11,184	1.6
Thin Paper (s)	13	14	16	143	160	-10.7
Cotton Fiber Paper (s)	13	14	12	150	147	2.3
Bleached Bristols (s)	112	114	90	1,175	1,068	10.0
Tissue Paper	498	518	493	5,494	5,302	3.6
Total Pkg & Other Paper	391	398	395	4,260	4,351	-2.1
Unbl. Kraft Paper (s)	190	187	210	2,077	2,202	-5.7
Bl. Kraft Paper (s)	34	37	31	369	370	-0.3
Specialty Pkg. Paper	59	67	54	659	631	4.4
Special Industrial Paper	109	107	99	1,155	1,148	0.7
TOTAL PAPER	3,445	3,539	3,389	38,197	37,622	1.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,814	1,818	1,738	19,594	19,822	-1.2
Unbleached Kraft Linerboard *	1,700	1,698	1,608	18,210	18,449	-1.3
Other Unbl. Kraft Paperboard	115	120	130	1,384	1,373	0.8
Semichemical Paperboard	489	493	487	5,391	5,401	-0.2
Bleached Paperboard	387	371	368	4,190	4,117	1.8
Recycled Paperboard	909	950	875	9,969	9,042	10.3
TOTAL PAPERBOARD	3,598	3,632	3,469	39,145	38,381	2.0
TOTAL PAPER AND PAPERBOARD	7,044	7,171	6,858	77,341	76,003	1.8

(000 SHORT TONS)	NOV 1993	OCT 1993	NOV 1992	FIRST ELEVEN MONTHS 1993	FIRST ELEVEN MONTHS 1992	% CHANGE YR TO DATE 1993/1992
U.S. MARKET PULP SHIPMENTS						
Total	710	729	564	7,608	7,562	0.6%
Total Sulfate	686	713	546	7,430	7,339	1.2%
Bleached Sulfate	670	701	537	7,251	7,189	0.9%
Softwood	382	423	323	4,359	4,303	1.3%
Hardwood	288	278	214	2,893	2,886	0.2%
Unbleached	17	12	9	179	150	19.4%
Sulfite, Bleached and Unbleached	24	16	18	178	224	-20.6%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,232	5,336	5,059	56,998	56,873	0.2%
Recovered Paper	2,273	2,323	2,205	24,869	23,216	7.1%

* Includes all unbleached kraft paperboard exports

(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA January 11, 1994	1991	1992	1993	1993 R	1993 P	Ann. Rt. ytd '93	% Chg. 93/92
PAPER & PAPERBOARD — Tons (000)			Sep	Oct	Nov		
Total Production (AFPA)............: excluding :............	79,499	82,941	6,958	7,171	7,044	84,372	1.8
Total Seasonally Adjusted..........: construction :............			6,979	6,953	7,220	84,252	2.0
Imports (including Products).......: and wet :.....E............	12,074	12,406	1,127	1,258	1,180	13,863	11.8
Exports (including Products).......: machine :.....E............	8,311	8,946	757	784	764	8,987	-0.4
Apparent Consumption...............: grades :.....E............	83,261	86,401	7,349	7,427	7,636	89,128	3.6
Paper Production % Tonnage Capacity............	89.3	91.1	90.8	91.4	91.5	91.9	
Paperboard Production % Tonnage Capacity............	93.6	94.4	94.4	93.6	95.2	94.0	
PAPER, PAPERBOARD & PRODUCTS			Sep	Oct	Nov		
Imports.....:Including Construction and :.....E............	12,167	12,543	1,141	1,271	1,193	14,005	11.7
Exports.....: WMB Grades (excl. HPB) :.....E............	8,331	8,971	760	798	767	9,015	-0.3
Market Wood Pulp Shipments – Tons (000)............	701	8,291	658	729	710	8,300	0.6
Wood Pulp Imports – Tons (000).....E............	409	4,882	403	444	436	5,353	9.1
Wood Pulp Exports – Tons (000).....E............	500	6,421	456	401	451	5,755	-10.8
Raw Materials Consumption – Tons (000)							
Wood Pulp.............:consumption for:............	56,116	56,873	4,931	5,336	5,232	62,180	10.0
Recovered Paper.......:constuction & :............	20,955	23,216	2,273	2,323	2,273	27,129	18.4
Total.............: WMB grades :............	77,070	80,089	7,204	7,659	7,506	89,309	12.4
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	96,242	104,598	8,547	8,646	8,678	105,146	1.1
Employment (000)			Sep	Oct	Nov		
Paper and Allied Products..RS.......Total............	687.9	687.3	681.2	677.0	675.8	680.6	-1.0
Pulp, Paper and Board Mills..RS.....Total............	244.3	238.8	233.0	230.5	230.3	233.8	-2.2
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS............	12.72	13.07	13.67	13.55	13.56	13.40	2.7
Pulp, Paper Mills.......RS............	15.86	16.19	17.16	17.04	16.97	16.69	3.2
Paperboard Mills........RS............	15.71	16.24	17.14	17.00	17.00	16.73	3.2
New Plant & Equip. Expenditures, Paper & Allied Prod.			IVQ '92	IQ '93	IIQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	11.50	10.53	10.60	10.60	10.27	10.55 Y	0.2
Index of Output per Man–Hour (1982=100)			Sep	Oct	Nov		
:in Pulp, Paper:...Production Workers............	105.5	113.2	114.3	117.4	122.0	105.6	-6.5
:and Board Mills:...All Employees............	105.2	112.9	114.5	117.5	121.9	105.3	-6.5
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	128,757	131,282	10,889	10,691	10,809	129,455	-1.2
Pulp, Paper and Paperboard*	53,660	53,442	4,305	4,295	4,347	52,173	-2.4
Inventories (End of Period) – Total Industry*	13,544	13,387	13,600	13,579	13,510	13,510	-1.5
Pulp, Paper and Paperboard*	5,493	5,535	5,792	5,809	5,803	5,803	0.3
Paper & Allied Products Companies (Million $)			IVQ '92	IQ '93	IIQ '93		
Sales (Corporations Only)............	122,969	127,562	31,873	31,865	33,187	130,104	3.8
Earnings-(Corporations Only)............	2,164	1,213	121	686	814	3,000	309.8
Depreciation (Corporations Only)............	6,504	6,974	1,771	1,800	1,868	7,336	5.6
Net Worth (Corporations Only)............	48,642	47,520	47,520	47,873	47,838	95,711	1.1
Price Indexes (Bureau of Labor Statistics) 1982=100			Sep	Oct	Nov		
Pulp, Paper & Products, ex. Building Grades............	118.7	118.5	126.7	126.9	126.9	127.6	-1.2
Wood Pulp............	108.1	109.6	102.1	99.6	96.7	104.8	-12.3
Waste Paper............	110.2	108.2	112.6	112.1	107.4	119.2	1.0
Paper............	116.1	112.8	124.4	124.1	123.7	123.8	0.6
Paperboard............	119.1	123.2	127.9	129.6	130.5	130.0	-3.3
Paper Demand (Indexed: 1967=100)			Sep	Oct	Nov		
Total Paper Production *............	105.9	110.8	111.2	109.6	115.2	112.7	1.9
Paper New Supply *............	99.6	102.5	104.1	106.4	108.6	106.6	4.3
Demand Indicators – (Weighted Average) *............	101.6	101.0	101.2	101.3	101.7	101.2	0.4
Production of Nondurable Goods..RS........*....(21.2%)............	104.1	106.5	106.9	107.1	107.7	106.9	1.2
Disposable Income............*....(23.9%)............	107.3	110.4	113.3	113.7	114.2	112.3	2.2
Total Printing and Publishing..RS..........*....(54.9%)............	96.8	95.0	93.7	93.6	93.9	94.2	-0.8
Paperboard Demand (Indexed: 1967=100)			Sep	Oct	Nov		
Total Paperboard Production *............	108.0	111.9	114.0	114.8	117.8	113.9	2.0
Production for Domestic Use ......E............	105.4	109.6	113.5	113.0	115.5	112.4	2.7
Demand Indicators – (Weighted Average) *............	104.0	106.5	110.3	111.3	112.2	110.1	3.6
Production of Consumer Goods..RS.........*....(62.06%)............	102.8	105.2	107.9	109.1	110.0	108.2	3.0
Production of Equipment..RS...............*....(5.75%)............	108.9	112.7	122.8	123.5	124.8	120.8	7.5
Production of Materials..RS...............*....(32.19%)............	105.5	107.9	112.6	113.4	114.3	112.0	4.0
Market Data			Sep	Oct	Nov		
Newsprint Consumption (SAAR) – Tons (000)...R......E............	12,565	12,799	12,599	12,809	12,985	12,863	0.5
Newspaper Pub. and Printing Empl. Total(000)............	459	451	452	452	454	452	0.2
Magazine Advertising Pages (PIB, Inc.)	160,224	168,561	11,429	15,803	17,177	167,514	-0.3
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales............	49,297	48,039	4,627	4,807	4,818	49,311	12.1
Inventories (End of Period)............	3,954	4,203	5,370	5,597	5,311	5,311	23.9
Fibre Box Data (Fibre Box Association)			Sep	Oct	Nov		
Fibre Box Shipments (Million square feet)............	320,106	335,696	29,833	32,307	28,713	352,232	4.1
Container'bd Inventory at Mill & Plant (000 Tons)............	2,670	2,918	2,572	2,378	2,388	2,388	-15.4
Retail Trade (Billion $)							
Total Retail Sales *............	1,865	1,956	174.7	178.5	179.1	2,074	6.4
Nondurable Goods Stores Sales *............	1,212	1,253	109.2	110.0	109.9	1,299	4.0
General Economic Data			Sep	Oct	Nov		
Total Industrial Production (Index 1967 = 100)*............	104.1	106.5	111.4	112.2	113.2	110.8	4.2
Producer Prices (All Commodities, Index: 1982=100)............	106.6	107.6	118.7	119.1	118.9	118.9	1.4
Consumer Prices (All Items–Urban Con.) (1982–4=100)............	136.2	140.3	145.1	145.7	145.8	144.3	3.0
Gross Domestic Product – Annual Rate (Billion$) *			IQ '93	IIQ '93	IIIQ '93		
G.D.P. or Expenditure – Current $............	5,722.9	6,038.5	6,261.8	6,327.6	6,396.3	6,328.5	5.7
G.D.P. or Expenditure – 1987 $............	4,861.4	4,986.3	5,078.2	5,102.1	5,138.0	5,106.1	3.0
Paper & Paperboard Consumption – Pounds per Capita	659	677				694	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = May est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

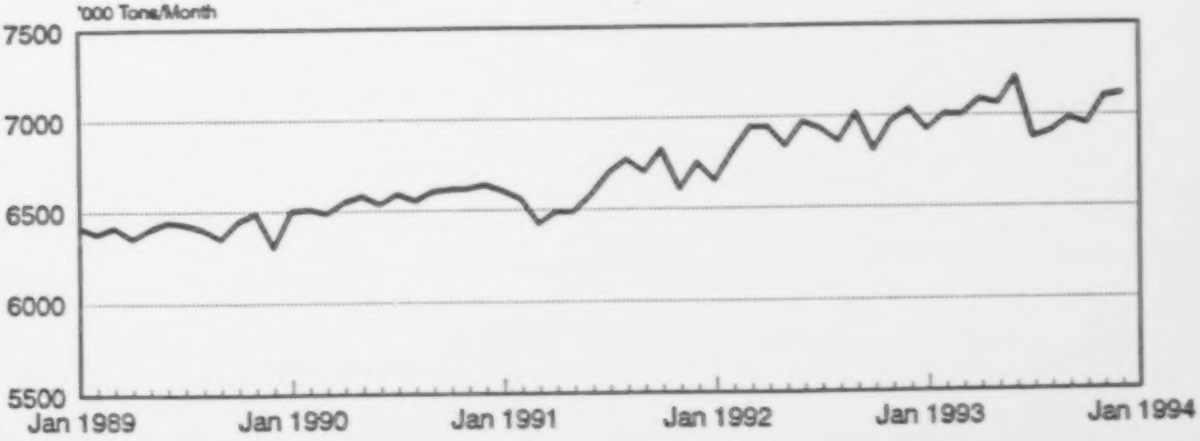
Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 72 No. 1 January 1994

Highlights:

- Paper production rose 1.5% in 1993, paced by a strong 3.9% increase in tissue paper output and a 2.0% gain in printing-writing paper shipments. Newsprint production stagnated last year while the packaging paper category contracted.
- Paperboard production increased 2.0% last year, with boxboard providing most of the impetus. Although domestic end-use markets for containerboard expanded briskly in 1993, inventory drawdowns and weak export demand limited the sector's production gain to 0.8%. However, export-related linerboard production ended the year on a positive note by rising steadily during the final three months of 1993.
- New supply of paper and paperboard (domestic production plus imports less exports) rose an estimated 3.3% in 1993, versus a 1.7% increase in production. Approximately half of the new supply growth was met by net imports, a development that reflected cyclically weak overseas market conditions in conjunction with currency realignments.
- Shipments of chemical paper grade market pulp edged up .9% last year as a large increase in shipments to the domestic market offset weak exports.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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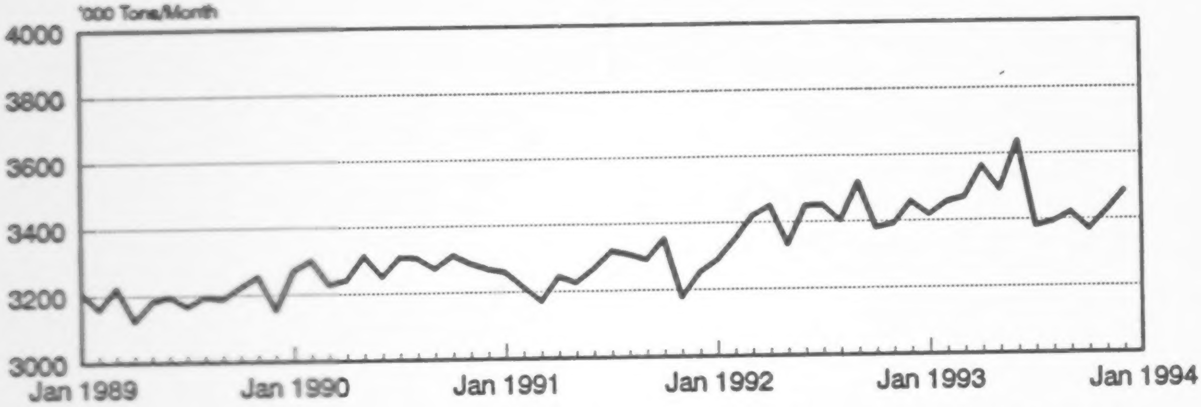
Paper: Despite an upturn in the final two months of 1993, seasonally-adjusted paper production had not yet regained the peak levels obtained during the second quarter. This pattern largely reflected lower output of newsprint and printing-writing papers relative to their respective spring levels.

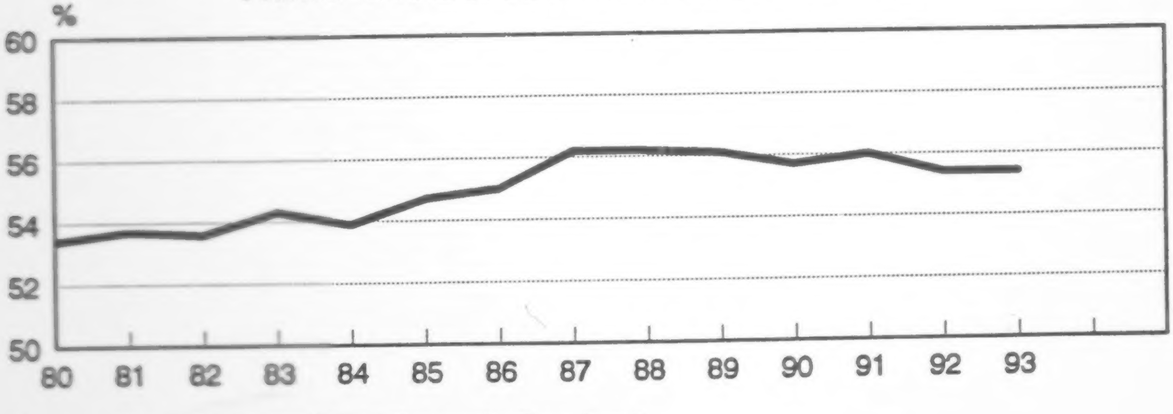
PAPER PRODUCTION
seasonally adjusted



Shipments of the four major printing-writing paper grades increased 1.8% in 1993, while new supply (shipments plus imports less exports) expanded 5.1%, with much of that growth attributable to import gains. Grade-specific increases in new supply ranged from 13.3% for uncoated groundwood and 5.7% for coated free sheet to 3.7% and 3.1% for coated groundwood and uncoated free sheet, respectively.

The firming of white collar employment and an improved advertising environment underlied last year's strong growth in new printing-writing paper supply. Current dollar advertising expenditures rose 5.2% in 1993 after climbing 3.9% in 1992, according to McCann-Erickson. As is shown by the following graph, prints' share of advertising expenditures has held approximately stable at about 55% since the mid-1980's, as rapid growth in direct mail advertising helped to offset declines in newspapers' share of total advertising revenues.

PRINTS' SHARE OF ADVERTISING EXPENDITURES

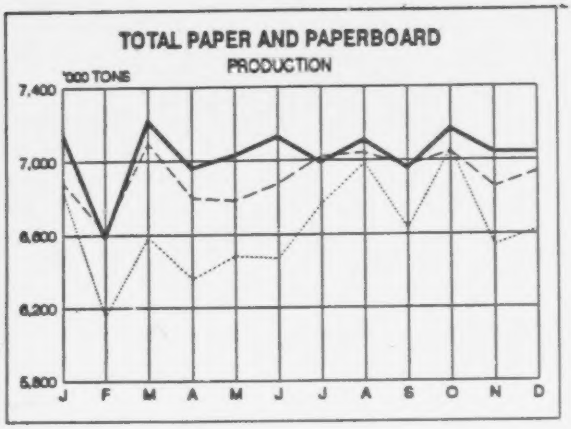


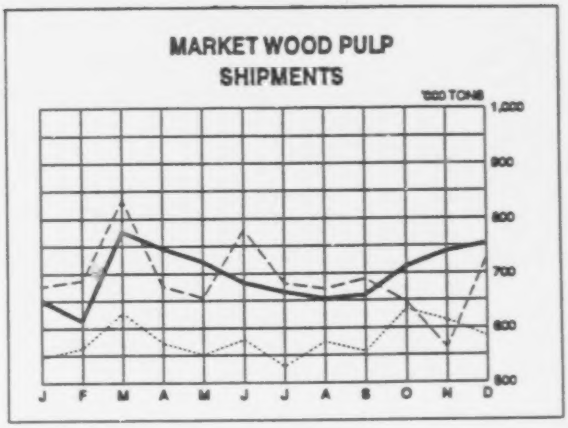
Source: McCann-Erickson/AF&PA Economics Department

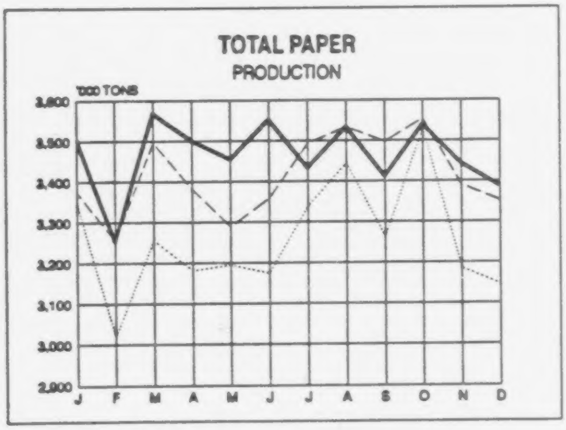
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		SEP	OCT	NOV (R)	DEC (P)	Annual Rate Y-T-D	% Change From Same Period Last Year
	1991	1992	1993	1993	1993	1993	1993	
PAPER								
Newsprint – Production	6,841	7,082	572	609	594	577	7,076	–0.1
– Shipments	6,784	7,125	593	598	604	589	7,050	–1.1
Printing & Writing: Total Shipments	22,064	23,394	1,969	2,014	1,962	1,924	23,868	2.0
Groundwood Paper – Shipments	1,716	1,609	148	161	147	148	1,741	8.3
– New Orders	1,717	1,656	164	169	123	149	1,825	10.3
– Unshipped Orders	220	164	222	229	201	206	206	25.6
Coated Groundwood – Shipments	4,040	4,364	342	333	347	345	4,290	–1.7
Coated Free Sheet – Shipments	3,319	3,755	335	340	319	317	3,894	3.7
Total Coated Papers – Shipments	7,358	8,119	677	674	666	662	8,183	0.8
– New Orders	7,342	8,151	666	657	613	742	8,181	0.4
– Unshipped Orders	591	903	746	725	667	747	747	–17.2
Unctd Free Sheet – Shipments	11,504	12,170	1,008	1,037	1,011	977	12,336	1.4
– New Orders	11,497	12,293	1,017	1,022	962	974	12,481	1.5
– Unshipped Orders	690	720	917	908	864	873	873	21.2
Thin Papers – Shipments	197	175	14	14	13	14	157	–10.4
Cotton Fiber Paper – Shipments	142	159	14	14	13	14	164	3.2
Bleached Bristols – Shipments	1,146	1,163	107	114	112	111	1,286	10.6
Tissue Paper – Production	5,669	5,784	481	518	498	514	6,008	3.9
Total Packaging & Other Paper	4,509	4,713	389	398	388	372	4,630	–1.8
Unbl. Kraft Paper – Shipments	2,280	2,380	186	187	187	180	2,254	–5.3
Bl. Kraft Paper – Shipments	421	403	35	37	34	32	400	–0.6
Specialty Pkg. Paper – Production	637	687	60	67	59	55	714	3.9
Special Industrial Paper – Production	1,172	1,244	108	108	109	107	1,262	1.5
TOTAL PAPER PRODUCTION – UNADJUSTED	39,082	40,973	3,411	3,540	3,442	3,387	41,581	1.5
TOTAL PAPER PRODUCTION – SEAS ADJ			3,422	3,371	3,425	3,484	41,517	1.5
PAPERBOARD – PRODUCTION								
Containerboard	28,048	29,357	2,441	2,506	2,492	2,548	29,587	0.8
Cont'bd For Dom Use for Fibre Boxes	24,484	25,746	2,179	2,222	2,177	2,218	26,175	1.7
Total Linerboard	17,006	17,785	1,514	1,552	1,510	1,527	18,173	2.2
Unbleached Kraft	16,213	16,850	1,378	1,424	1,402	1,411	16,732	–0.7
Solid Bleached	170	150	11	12	13	13	146	–2.9
Recycled	623	784	125	116	95	103	1,296	65.2
Corrugating Medium	7,479	7,961	666	670	667	692	8,001	0.5
Semichemical	5,487	5,722	474	481	476	503	5,741	0.3
Recycled *	1,992	2,239	192	189	191	189	2,261	1.0
Other Containerboard for Dom Use	301	345	25	23	24	23	309	–10.3
Containerboard for Export	3,263	3,267	237	260	291	307	3,103	–5.0
Boxboard	12,369	12,611	1,106	1,126	1,107	1,109	13,214	4.8
Boxboard for Packaging for Dom Use	7,326	7,390	649	643	642	644	7,718	4.4
Folding Boxboard	5,589	5,651	497	500	487	485	5,906	4.5
Solid Bleached	1,938	1,888	165	165	165	175	1,978	4.8
Unbleached Kraft	1,124	1,143	106	97	91	100	1,197	4.8
Recycled	2,526	2,620	226	238	232	210	2,730	4.2
Set-up Boxboard for Dom Use	275	283	24	31	28	20	303	7.2
Milk Carton & Food Service Dom Use	1,463	1,457	127	112	127	139	1,509	3.6
Other Boxboard for Domestic Use	3,990	4,158	377	388	376	362	4,404	5.9
Boxboard for Export	1,053	1,063	80	95	89	103	1,092	2.7
Paperboard Production by Furnish	40,416	41,968	3,547	3,632	3,598	3,657	42,801	2.0
Unbleached Kraft	20,960	21,658	1,753	1,818	1,814	1,854	21,447	–1.0
Semichemical	5,657	5,902	485	493	489	515	5,906	0.1
Solid Bleached Kraft	4,572	4,503	382	371	387	415	4,605	2.3
Recycled	9,227	9,906	926	950	909	873	10,843	9.5
Paperboard Production for Export	4,316	4329	317	356	380	410	4,195	–3.1
Unbleached Kraft	3,323	3,320	245	273	298	320	3,209	–3.3
Semichemical	170	180	11	12	13	12	165	–8.4
Bleached Kraft	743	756	57	65	62	71	742	–1.9
Recycled	80	72	4	5	8	7	79	9.3
TOTAL PAPERBOARD PRODUCTION – UNADJ	40,416	41,968	3,547	3,632	3,598	3,657	42,801	2.0
TOTAL PAPERBOARD PROD – SEAS ADJ			3,558	3,582	3,676	3,631	42,710	2.0
PAPER AND PAPERBOARD – UNADJ	79,499	82,941	6,958	7,172	7,041	7,043	84,382	1.7
PAPER AND PAPERBOARD – SEAS ADJ			6,979	6,953	7,101	7,116	84,227	1.7

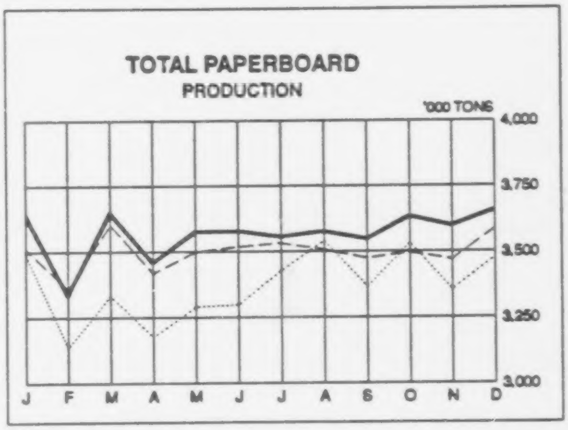
R – Revised P – Preliminary Seas. Adj. – Seasonally Adjusted Unadj. – Not Seasonally Adjusted

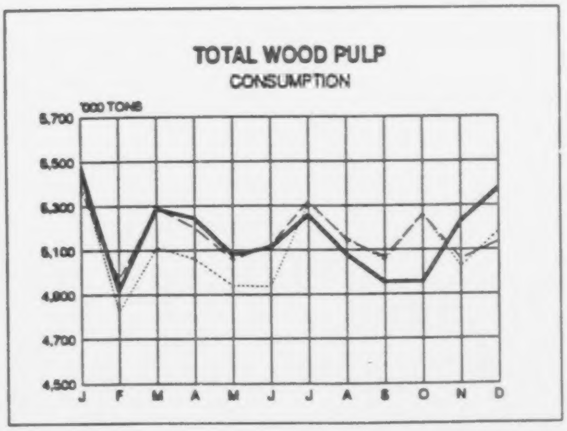
* Container Chip and Filler reclassified into Recycled Corrugating Medium

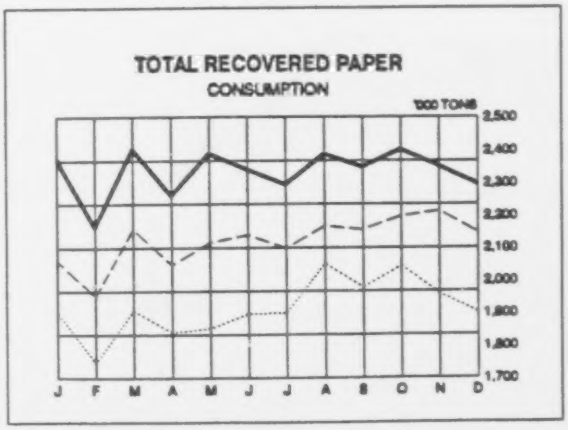

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

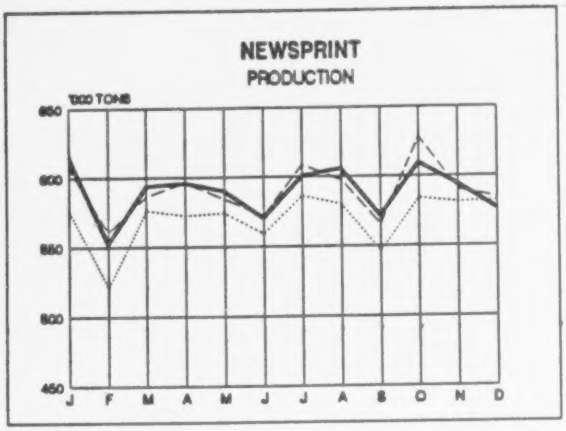
1991 .... 1992 ------ 1993 ——

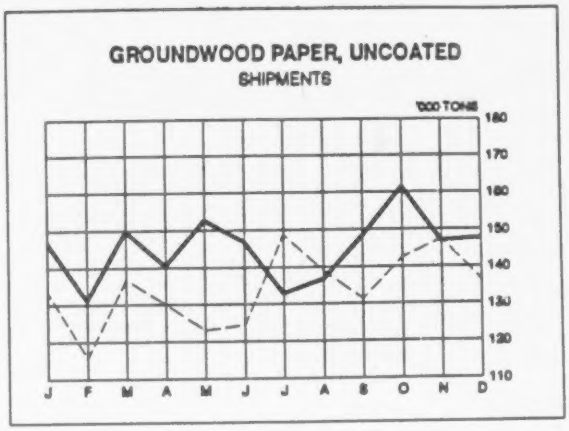
WOOD PULP STATISTICS (Thousands of Tons)		YEAR 1991	YEAR 1992	IQ 1993	IIQ 1993	IIIQ 1993	IVQ 1993	Annual Rate Y-T-D 1993	% Change From Same Period Last Year
TOTAL WOOD PULP									
Total Wood Pulp (Paper Grades)	Production	62,266	63,960	15,729	15,654	15,495	16,015	62,893	-1.7
	Imports	4,824	4,882	1,400	1,274	1,353	1,297	5,324	9.0
	Exports	5,566	6,421	1,490	1,546	1,387	1,349	5,772	-10.1
	New Supply	61,524	62,421	15,639	15,291	15,460	15,963	62,354	-0.2
Paper Grades Chemical Pulp	Production	51,768	53,358	13,149	13,090	12,975	13,509	52,723	-1.2
	Imports	4,504	4,570	1,280	1,156	1,258	1,199	4,892	7.1
	Exports	5,516	6,321	1,453	1,511	1,371	1,333	5,669	-10.3
	New Supply	50,756	51,607	12,976	12,735	12,861	13,375	51,947	0.7
Groundwood and Thermo-Mech.	Production	6,404	6,501	1,576	1,555	1,515	1,511	6,157	-5.3
	Imports	320	312	121	119	95	98	432	38.3
	Exports	50	100	38	35	18	15	103	3.3
	New Supply	6,673	6,713	1,659	1,639	1,595	1,593	6,486	-3.4
Semi-Chemical	Production	4,094	4,101	1,005	1,008	1,005	995	4,012	-2.2
	Imports								
	Exports								
	New Supply	4,094	4,101	1,005	1,008	1,005	995	4,012	-2.2
MARKET WOOD PULP									
Paper Grades Chemical Pulp	Production	7,660	8,670	2,029	2,047	2,051	1,978	8,105	-6.5
	Imports	2,816	2,946	792	736	787	811	3,126	6.1
	Exports	5,169	5,906	1,321	1,445	1,290	1,505	5,561	-5.8
	New Supply	5,307	5,709	1,501	1,337	1,549	1,283	5,670	-0.7

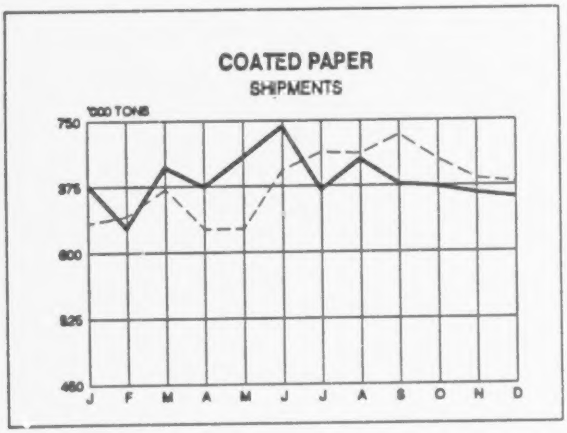
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

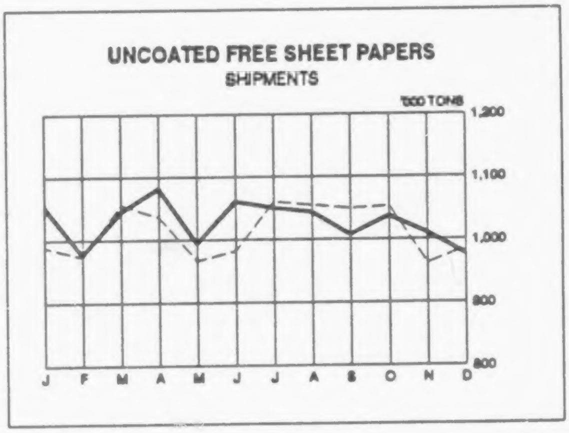
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR 1991	YEAR 1992	IQ 1993	IIQ 1993	IIIQ 1993	IVQ 1993	Annual Rate Y-T-D 1993	% Change From Same Period Last Year
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	84,272	87,451	22,622	22,420	22,321	22,986	90,350	3.3
Total Wood Pulp	61,301	62,011	15,687	15,433	15,294	15,942	62,356	0.6
Recovered Paper	22,971	25,440	6,936	6,987	7,027	7,044	27,994	10.0
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	219	194	202	205	252	182	252	29.9
Producers' Market Inventories	518	882	872	789	839	756	839	-4.9
Consumers' Purchased Inventories *	451	407	450	400	377	N.A.	377	-7.3
Recovered Paper at Paper & Bd. Mills	1,119	1,152	1,096	1,103	1,093	1,053	1,093	-5.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	23	41	41	38	32	39	39	-4.9

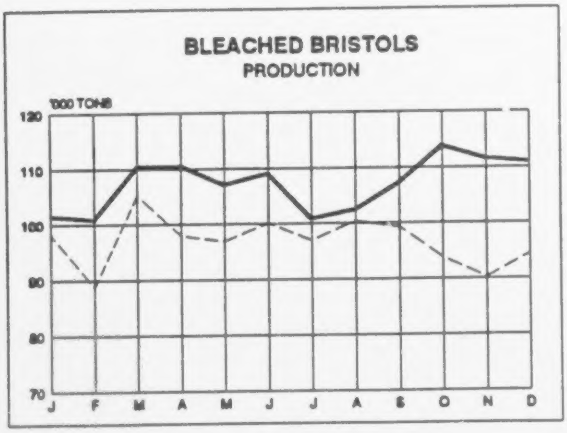
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA. N.A. - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

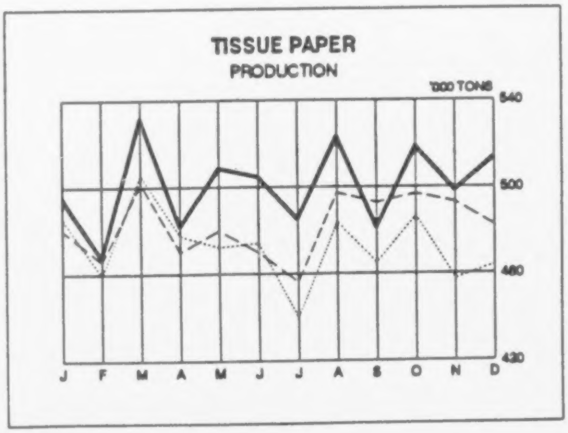












1991 .... 1992 ------ 1993 ▬▬▬

FIBROUS RAW MATERIALS Thousands of Standard (128 Cu. ft.) Cords	YEAR 1991	YEAR 1992	Sep 1993	Oct 1993	Nov 1993	Dec 1993	ANNUAL RATE Y-T-D 1993	% CHANGE FROM SAME PD LAST YEAR
PULPWOOD								
Total U.S. – Total Receipts	96,659	103,891	8,869	8,899	8,741	9,032	106,062	2.1
– Total Consumption	96,242	104,596	8,547	8,646	8,676	9,004	105,275	0.6
– Residues *	34,097	39,784	3,572	3,649	3,512	3,648	43,134	8.4
– Inventories	5,688	5,314	5,683	5,961	5,833	5,969	5,969	12.7
So. Atlantic – Total Receipts	31,286	33,704	2,869	2,962	2,890	2,893	34,958	3.7
– Total Consumption	31,825	34,015	2,796	2,839	2,919	2,896	34,693	2.0
– Residues *	10,166	13,173	1,231	1,277	1,255	1,249	14,916	13.2
– Inventories	1,284	1,199	1,459	1,514	1,486	1,503	1,503	25.4
Northeast – Total Receipts	7,333	7,511	659	639	614	684	7,791	3.7
– Total Consumption	6,840	7,341	647	610	631	658	7,751	5.6
– Residues *	1,707	1,800	148	131	140	150	1,782	-1.0
– Inventories	423	347	333	354	326	330	330	-4.9
South Central – Total Receipts	38,751	42,666	3,857	3,794	3,794	3,872	44,542	4.4
– Total Consumption	38,321	42,966	3,673	3,640	3,602	3,675	44,039	2.5
– Residues *	11,703	15,544	1,490	1,486	1,425	1,485	17,596	13.2
– Inventories	1,637	1,736	1,864	2,001	2,038	2,128	2,128	22.6
North Central – Total Receipts	7,207	7,310	606	627	564	706	7,419	1.5
– Total Consumption	7,313	7,339	568	637	630	654	7,508	2.3
– Residues *	1,197	1,139	88	94	87	145	1,118	-1.8
– Inventories	925	813	741	729	654	721	721	-11.3
West – Total Receipts	14,082	12,701	898	967	870	897	11,372	-10.5
– Total Consumption	13,943	12,947	861	920	896	919	11,284	-12.6
– Residues *	9,324	8,128	615	661	605	619	7,722	-5.0
– Inventories	1,419	1,219	1,266	1,353	1,329	1,307	1,307	7.2

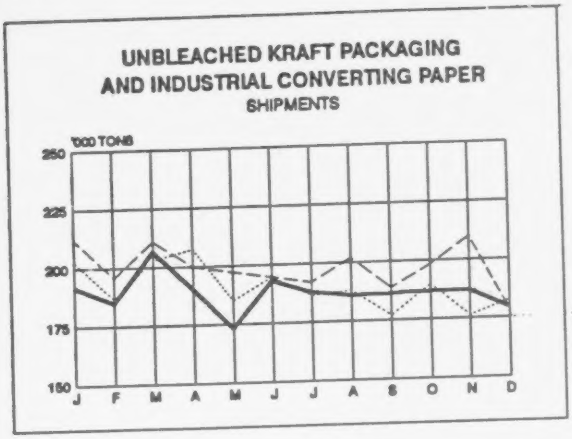
SOURCE: American Pulpwood Association

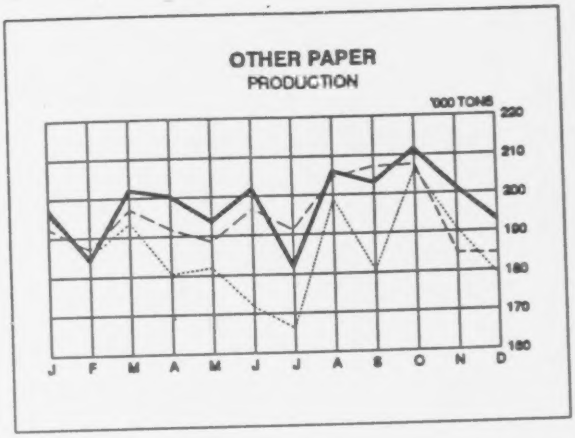
* – Consumption of Residues in cords equivalent

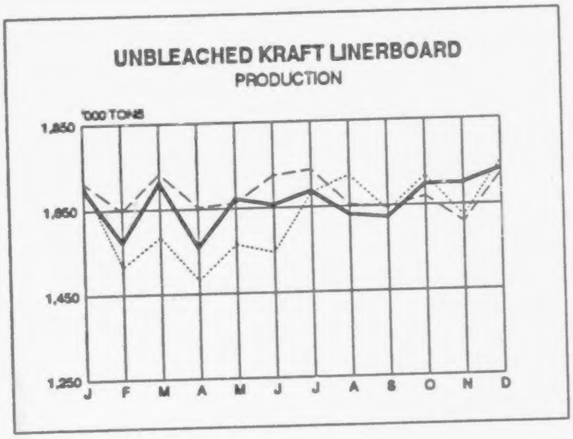
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA YEAR 1992 Tons	 YEAR 1992 ($000)	 October 1993 Tons	 October 1993 ($000)	 November 1993 Tons	 November 1993 ($000)	ANNUAL RATE Y-T-D 1993 Tons	% CHANGE FROM SAME PD LAST YEAR
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood chips	510,776	16,378	27,386	1,285	26,461	1,171	359,520	-29.9
Wood Pulp, Total	4,272,013	1,769,418	375,068	119,472	375,755	119,911	4,609,664	8.4
Waste Fibrous Materials, Total	124,916	23,340	9,623	1,362	10,035	1,246	126,351	2.4
Paper, Board & Products, Total	10,842,116	5,977,951	994,652	514,817	1,001,891	518,969	11,595,058	7.1
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	10,638,896	5,493,008	970,784	466,078	978,257	470,172	11,339,624	6.8
Paper, Paperboard & Products	10,661,734	5,947,813	963,203	511,824	991,120	516,324	11,471,158	7.6
Paper & Paperboard, Only	10,519,649	5,462,870	959,336	463,085	967,496	467,527	11,215,724	6.8
Paper, Total	9,679,643	5,130,294	877,950	433,338	880,637	435,377	10,301,724	6.7
Newsprint	7,249,235	3,565,746	637,634	282,521	643,566	285,569	7,663,541	6.5
Printing, Writing & Rel. Pap.	2,095,656	1,294,773	213,919	127,821	208,495	126,531	2,296,852	8.1
Pack. & Ind. Conv. Paper	216,420	131,427	15,461	9,236	17,576	10,117	206,611	-4.6
Special Industrial Paper	59,368	89,042	4,732	9,040	4,577	8,417	61,579	3.5
Tissue Paper	58,961	49,305	6,205	4,721	6,424	4,742	74,140	24.7
Paperboard, Total	840,006	332,576	81,386	29,747	86,859	32,150	914,000	8.4
Convtd Paper&Paperbd Products	203,218	484,943	23,866	48,739	23,624	48,797	255,434	25.1
Wet Machine Board	813	721	104	92	36	34	802	-4.2
Construction Paper & Board	118,436	29,417	11,344	2,900	10,736	2,610	123,098	3.1

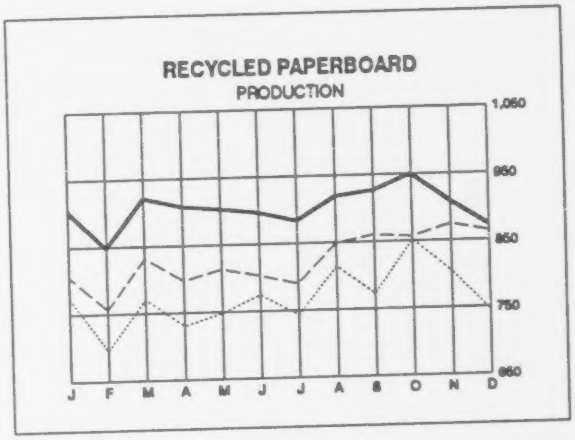
EXPORTS TO CANADA								
Pulpwood, Roundwood (in cubic meters)	2,204,878	63,233	172,926	5,255	174,791	5,475	2,263,091	6.9
Pulpwood chips	384,094	18,539	30,669	1,431	47,048	2,323	349,333	-7.9
Wood Pulp, Total	444,674	145,084	25,671	11,262	25,273	10,379	317,012	-28.3
Cotton Pulp & Other Pulp	11,336	6,756	377	238	264	200	5,939	-47.8
Waste Paper	796,302	115,834	100,156	11,800	96,762	11,809	1,190,884	51.1
Paper, Board & Products, Total	1,596,735	1,632,661	148,567	152,979	144,931	149,143	1,724,413	6.9
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,154,140	963,462	106,389	85,036	104,875	84,839	1,243,963	6.9
Paper, Paperboard & Products	1,587,697	1,628,318	148,106	152,811	144,668	149,026	1,717,945	7.3
Paper & Paperboard, Only	1,032,947	959,090	106,926	84,869	104,613	84,722	1,237,485	7.4
Paper, Total	687,226	696,361	54,552	58,022	55,909	58,190	677,901	-2.8
Newsprint	34,556	17,241	646	261	468	217	15,177	-56.4
Printing, Writing & Rel. Pap.	495,673	490,145	38,485	38,464	41,038	40,642	484,645	-3.6
Pack. & Ind. Conv. Paper	60,267	43,517	4,537	3,618	5,466	4,263	57,100	-7.2
Special Industrial Paper	67,855	117,480	7,411	12,412	6,3[illegible]	10,473	86,419	28.3
Tissue Paper	28,874	27,968	3,472	3,346	2,538	2,596	34,561	15.2
Paperboard, Total	455,877	262,748	51,376	26,847	48,704	26,532	559,584	22.6
Convtd Paper&Paperbd Products	444,596	669,219	42,178	67,943	40,055	64,304	480,460	7.0
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	11,039	4,363	461	167	262	117	8,469	-42.1

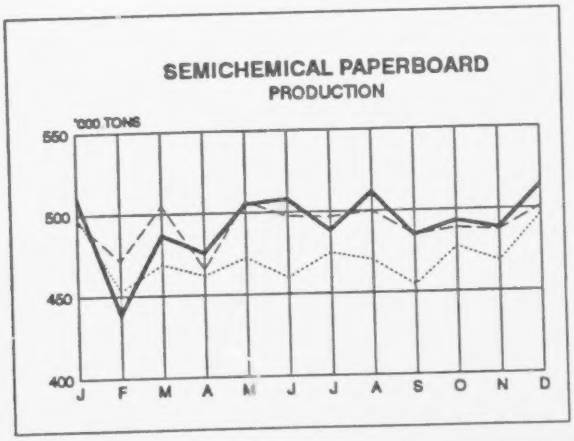
SOURCE: Bureau of Census, Department of Commerce

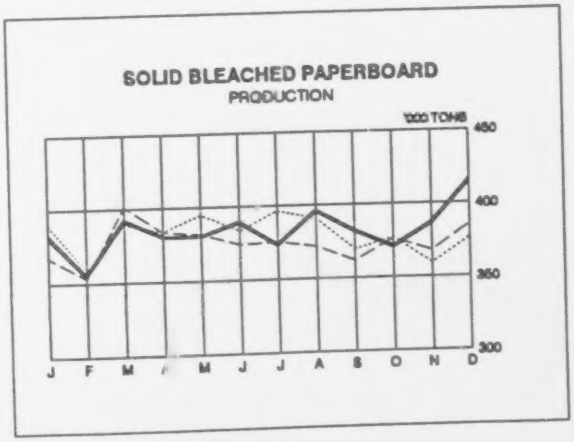

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1991 .... 1992 ------ 1993 ———

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1992		October 1993		November 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	512,961	16,462	109,309	2,010	40,563	1,809	733,877	42.5
Total All Imports	17,731,961	10,028,235	1,734,095	918,850	1,642,703	854,858	19,591,697	10.5
Wood Pulp Total	5,029,302	2,094,235	452,161	147,258	431,099	137,010	5,434,207	7.8
Waste Paper	149,856	27,868	10,976	1,709	10,598	1,419	136,712	-8.9
Other Fibrous Materials	10,340	7,022	197	131	1,496	614	7,817	-26.2
Paper Board & Products Total	12,542,863	7,899,310	1,270,761	789,751	1,199,512	715,814	14,012,962	11.8
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	12,112,101	6,754,223	1,222,323	650,635	1,154,785	601,999	13,519,509	11.7
Paper Ppbd & Prds ex Cnst&WMB	12,405,877	7,856,513	1,258,029	765,584	1,187,207	711,811	13,871,101	11.9
Paper & Paperboard Only	11,975,314	6,710,426	1,209,501	646,467	1,142,480	697,998	13,377,848	11.8
Paper Total	11,031,198	6,296,038	1,112,593	607,909	1,041,432	657,584	12,304,279	11.6
Newsprint	7,339,583	3,598,986	652,664	287,307	649,545	287,942	7,818,825	7.3
Printing & Writing	3,173,198	2,100,089	419,699	268,813	351,109	222,257	3,999,981	24.5
Uncoated Groundwood	1,418,885	859,708	204,013	117,143	158,470	90,413	1,749,826	20.9
Coated Print.& Impreg. Pap.	830,054	808,376	112,393	83,448	93,316	66,337	1,140,973	36.9
Uncoated Free Sheet	802,147	500,413	92,531	57,625	90,244	56,321	986,370	22.1
Thin (except Cigarette)	11,821	15,303	652	802	189	513	7,090	-40.0
Bristols	110,290	116,289	10,110	9,795	8,891	8,672	115,722	3.7
Total Pkg & Other Paper	452,286	541,617	32,234	45,770	32,774	41,525	403,299	-12.0
Unbleached Kraft Paper	228,001	106,122	13,428	6,814	16,332	8,722	177,963	-23.3
Other Pkg. & Indust. Paper	224,285	435,495	18,806	38,956	16,442	32,803	225,336	-0.4
Tissue	86,130	55,346	7,996	6,019	8,004	5,859	82,174	22.9
Paperboard, Total	944,117	414,388	96,997	38,559	101,049	40,412	1,073,369	13.5
Kraft Paperboard	176,950	88,644	23,945	8,174	20,124	7,496	216,245	22.9
Semi-Chemical Corrugating	148,131	36,790	25,797	6,274	29,616	7,520	264,502	88.7
Other Paperboard	819,036	308,954	47,255	24,111	51,309	25,396	592,622	-5.9
Convtd Paper&Paperbd Products	430,562	1,145,087	48,438	119,116	44,727	113,816	493,453	14.4
Paper Products, Total	304,048	891,733	35,535	94,170	32,211	88,991	353,328	15.6
Paperboard Products, Total	126,515	253,353	12,903	24,947	12,516	24,824	140,125	11.5
Wet machine Board	933	816	110	97	51	45	937	-3.2
Construction Paper & Board E	135,853	42,961	12,623	4,071	12,254	3,958	140,924	3.5
Notes								
Other: No Weight Avail. ($000)		151,879		18,472		15,192	171,273	10.7
Total Imports Incl. Other($000)		10,180,113		937,321		870,050	10,669,302	4.5

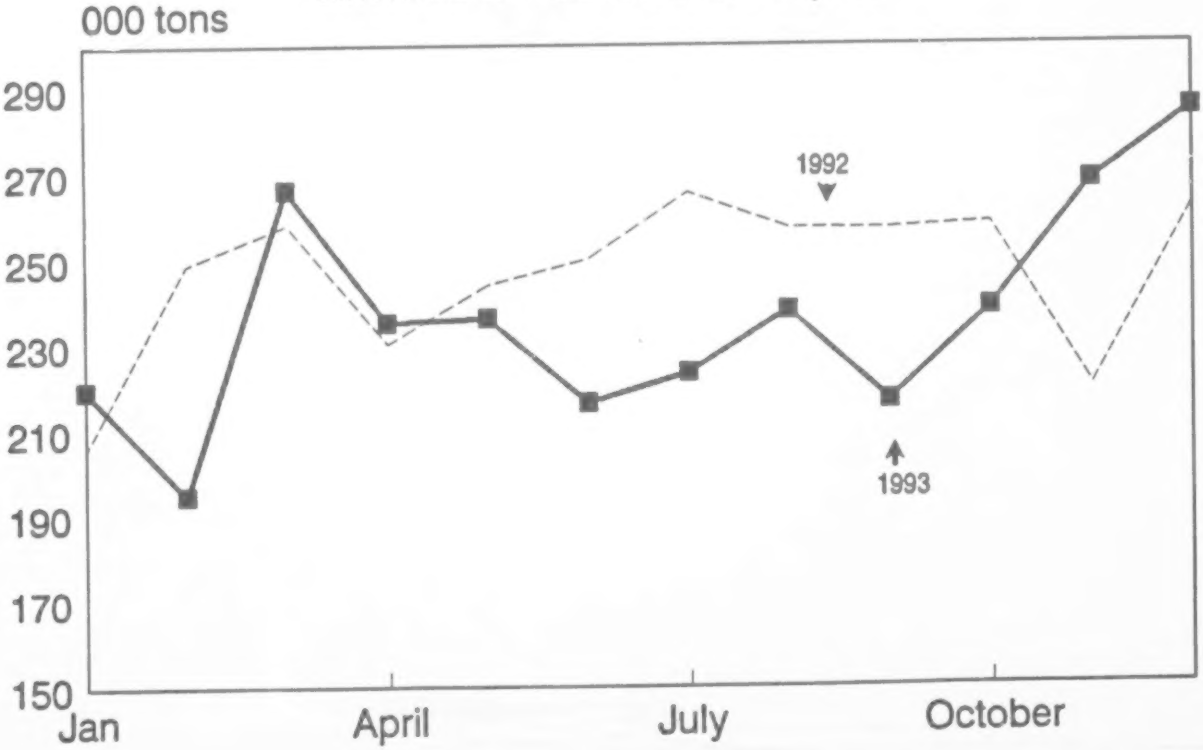
PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1992		October 1993		November 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood, Roundwood (cubic meters)	2,252,713	63,909	174,518	5,281	188,442	6,236	2,339,200	8.1
Pulpwood Chips	5,651,111	474,425	580,670	43,124	462,352	39,607	5,229,748	-6.4
Total All Exports	22,756,589	10,241,859	1,767,880	776,048	1,828,902	776,636	21,480,269	-5.9
Wood Pulp,Total	7,222,258	3,114,419	445,301	161,107	568,097	180,930	6,461,692	-10.9
Cotton Pulp and Other Pulp	115,956	92,001	12,649	7,316	11,042	7,012	127,957	7.6
Waste and Old Paper	6,447,655	643,516	523,499	44,960	483,721	40,539	5,865,430	-8.4
Paper, Board & Products,Total	8,970,720	6,391,924	786,432	562,665	776,042	548,155	9,025,190	-0.2
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,559,285	4,305,067	658,691	357,783	646,705	351,629	7,457,903	-2.2
Paper, Ppbd & Prod ex Cnst&WMB	8,946,054	6,379,472	783,794	561,554	774,213	547,431	8,998,333	-0.2
Paper & Paperboard, Only	7,534,619	4,292,615	656,054	356,671	644,876	360,906	7,431,046	-2.2
Paper, Total	2,635,060	2,061,388	219,322	174,976	209,943	171,964	2,573,201	-2.8
Newsprint	1,022,756	467,357	97,500	45,536	86,139	40,317	1,000,069	-2.7
Printing & Writing	1,158,188	1,022,740	85,097	77,685	86,414	79,491	1,123,624	-3.1
Uncoated Groundwood	116,020	82,732	9,133	6,625	6,023	5,035	111,518	-6.4
Clay Coated Paper	360,797	304,699	24,932	21,253	31,014	24,644	342,517	-6.0
Uncoated Free Sheet	448,985	446,094	33,366	36,212	32,769	35,890	425,335	-4.8
Other Printing & Writing	232,386	189,215	17,665	13,595	16,609	13,921	244,254	4.0
Total Pkg. & Other Paper	381,842	483,062	30,298	42,740	32,057	44,642	381,734	-1.3
Unbleached Kraft	141,105	73,814	10,170	6,587	11,738	6,007	130,836	-9.3
Other Pkg. & Indust. Paper	240,736	409,247	20,128	37,153	20,319	38,635	250,898	3.5
Tissue	72,274	88,230	6,428	9,016	5,332	7,513	67,775	-8.0
Paperboard, Total	4,899,559	2,231,227	436,731	181,696	434,933	178,941	4,857,845	-1.9
Solid Wood Pulp	4,657,574	2,094,365	417,458	170,524	415,943	168,783	4,588,808	-2.5
Total Linerboard	3,224,393	1,107,369	265,022	78,928	276,840	81,250	2,947,990	-10.1
Bleached Kraft Linerboard	65,602	37,914	959	699	2,785	2,101	15,398	-78.2
Unbleached Kraft Linerbd	3,158,792	1,069,456	264,063	78,229	274,055	79,148	2,932,592	-8.8
Other Unbleached Kraft	398,633	211,163	43,288	18,399	30,511	15,686	513,678	29.4
Other Bleached Kraft	958,949	751,904	99,544	70,074	93,811	68,043	1,013,302	6.3
Semi-Chemical Corrugating	75,598	23,928	9,604	3,124	14,781	3,805	113,837	46.5
Recycled Paperboard	241,985	136,862	19,273	11,171	18,990	10,158	269,037	9.2
Convtd Paper&Paperbd Products	1,411,436	2,086,857	127,740	204,882	129,337	196,526	1,567,287	10.4
Paper Products, Total	638,804	1,347,561	59,749	132,699	57,896	125,907	708,434	10.4
Paperboard Products, Total	772,632	739,295	67,991	72,183	71,441	70,619	858,852	10.3
Wet Machine Board	883	289	0	0	0	0	627	-34.9
Construction Paper & Board E	23,783	12,164	2,638	1,112	1,829	724	26,229	8.7
Notes								
Other: No Weight Avail. ($000)		77,411		8,638		7,902	87,090	10.6
Total Exports Incl. Other($000)		10,319,270		784,687		784,538	9,614,759	-7.4

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1991	YEAR 1992	SEP 1993	OCT 1993	NOV 1993	DEC 1993	Annual Rate Y-T-D 1993	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.8	129.2	126.7	126.9	126.9	126.9	127.6	-1.3
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.9	129.4	126.9	127.2	127.2	127.2	127.7	-1.3
Total Wood Pulp	119.2	118.9	102.1	99.6	98.7	96.5	104.3	-12.3
Total Paper	127.0	123.2	124.4	124.1	123.7	123.4	123.8	0.6
Writing Paper, exc. Newsprint	124.8	120.2	121.6	121.3	120.5	120.2	120.5	0.2
Newsprint	120.9	110.0	111.0	110.6	110.7	110.7	112.0	1.8
Total Paperboard	130.2	134.3	127.9	129.6	130.5	130.5	130.0	-3.2
Total Paper and Paperboard *	128.0	126.7	125.5	125.8	125.8	125.6	125.7	-0.7
Converted Products	134.8	134.8	132.5	132.9	133.1	133.3	133.7	-0.8
Waste Paper	121.3	117.4	112.6	112.1	107.4	108.4	118.0	0.6
All Commodities	116.5	117.2	118.7	119.1	118.9	118.4	118.9	1.6
Industrial Commodities	116.5	117.4	118.8	119.4	118.8	117.9	119.0	1.3

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

Linerboard Production for Export



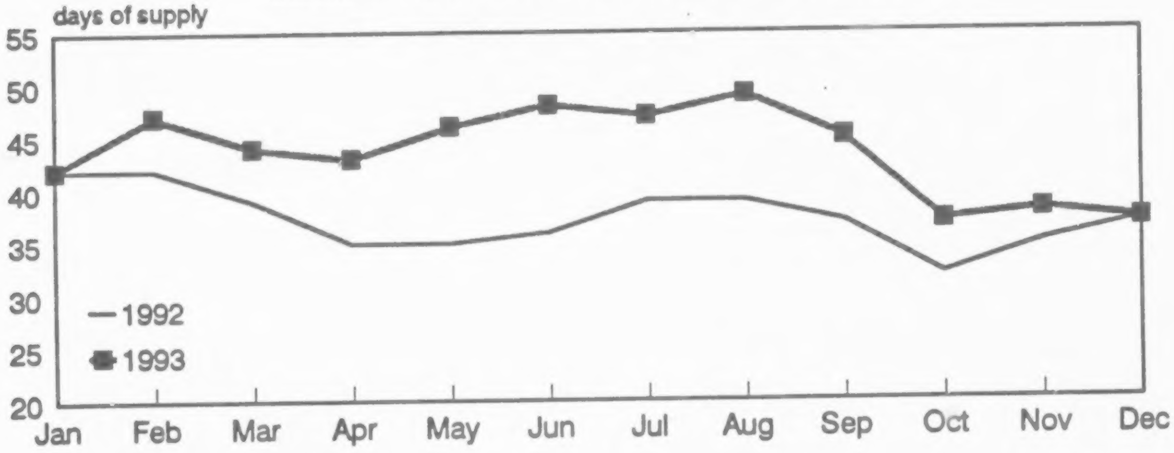
Total shipments of newsprint to the U.S. from domestic and foreign sources edged up 0.7% in 1993 to 12.9 million tons, following a 2.0% advance in 1992. Last year's sluggishness probably reflected intergrade competition as well as a lagging performance on the part of newspaper advertising activity. According to McCann-Erickson, newspaper advertising revenues rose 3.6% last year, as compared with an overall gain in media advertising revenues of 5.2%.

U.S. newsprint shipments declined 1.1% in 1993, following a 5.0% increase in 1992. The U.S. share of total newsprint shipments to the domestic market consequently ebbed from 49.0% in 1992 to 47.9% last year.

Inventories of newsprint in transit and in the hands of consumers have contracted from 49 days of supply at the end of August to 37 days of supply at the end of December. (See graph.)

End of Month Newsprint Inventories

Stocks in Transit and in the Hands of Consumers

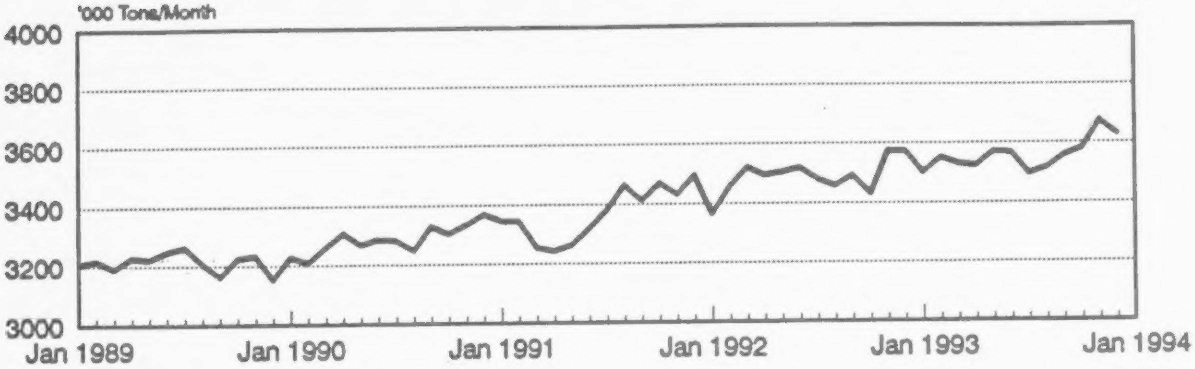


Source: AF&PA Newsprint Division

Last year brought additional declines in kraft paper demand. In particular, shipments of unbleached kraft papers contracted 5.3% in 1993, with the two major subgrades both recording lower volumes. The sharp setback in grocer's bag and sack paper shipments appears to have reflected inter-material competition along with stepped up packaging conservation efforts. Shipments of bleached kraft papers declined a comparatively modest 0.6%.

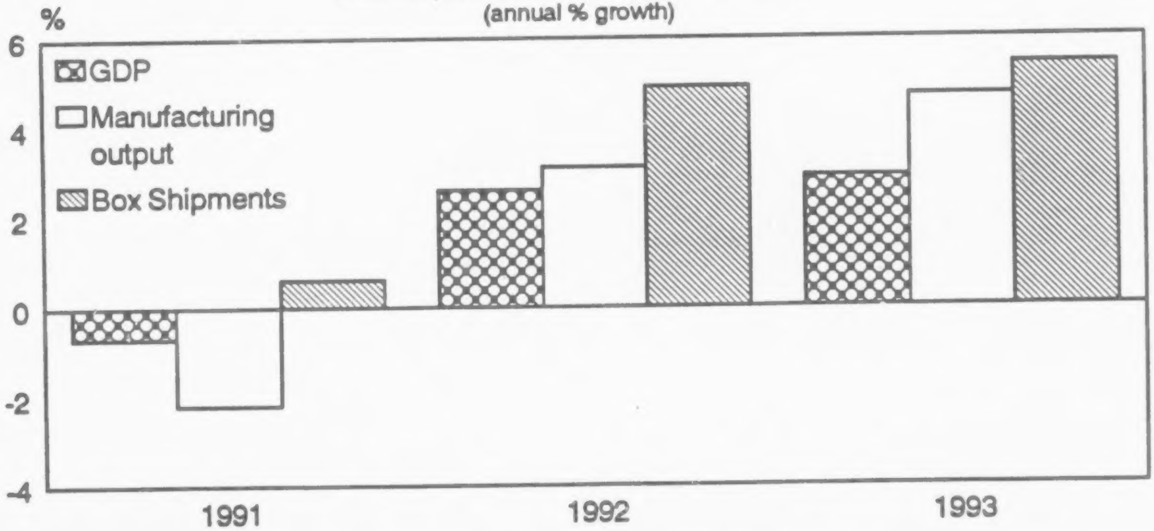
Paperboard: Despite some easing in December, fourth quarter seasonally-adjusted paperboard production reached a record-high 43.6 million tons (annual rate), up 2.9% from its fourth quarter 1992 level. Paperboard's full-year gain came in at 2.0%, although this figure was impacted by significant inventory liquidation in the containerboard sector and therefore understates underlying demand growth.

PAPERBOARD PRODUCTION
seasonally adjusted



Box shipments rose an ultra-brisk 5.4% last year, according to the Fibre Box Association, marking their strongest performance since 1986. As is depicted by the following chart, box shipments have significantly outperformed the U.S. economy during the past three years. They edged up 0.6% in 1991, even through both GDP and manufacturing output contracted that year. They advanced 4.9% in 1992, as compared with a 2.6% gain in GDP and a 3.1% increase in manufacturing output. Last year's 5.4% increase in box shipments eclipsed a 2.9% increase in GDP and a 4.7% gain in manufacturing output.

Box Shipments Outperform Economy
(annual % growth)



Seasonally-adjusted box shipments gained momentum during the course of 1993, climbing from an annual rate of 344.8 billion square feet in the first three months of the year to 368.4 billion square feet in the fourth quarter. Fourth quarter 1993 box shipments exceeded their year-end level by 9.1%.

U.S. containerboard production recorded a below-trend 0.8% increase in 1993, but exhibited improved strength towards the end of the year; for instance, fourth quarter 1993 production exceeded its year-ago level by nearly 2.0%.

Containerboard production was negatively affected by both inventory drawdowns and weak exports in 1993. Roll stock inventories at box plants and mills contracted by some 14.5% or 423,000 tons during 1993; the liquidation extended into the fourth quarter.

Total containerboard exports, most of which is unbleached kraft linerboard, declined 5.0% in 1993. However, linerboard production for export (see graph on the bottom of page 10) rose steadily in the last three months of 1993, and exceeded its year-ago level by 14.5% in the November-December period.

Less affected by weak exports and inventory drawdowns, boxboard production increased 4.8% in 1993 and exceeded its year-ago level by 6% in the fourth quarter. Boxboard's strength was distributed across the grade structure.

Production of folding boxboard for domestic use rose 4.5% in 1993, a gain that was in line with total manufacturing output, but far stronger than the 1.6% increase posted by production of nondurable goods. Increases in folding boxboard output by furnish were fairly uniform, with production of recycled folding boxboard production for domestic use up 4.2% and production of both unbleached kraft and solid bleached kraft folding boxboard up 4.8%.

Milk carton and food service production for domestic use rose 3.6% last year. That compares long-term trend growth -- 1987-92 -- of 0.5% a year. Production of milk carton and food service stock for export eased 3.3% last year, as compared with a 1% gain in 1992.

Production of other recycled boxboard advanced 6.9% in 1993, with most of the strength coming from the gypsum wallboard category, which benefited from last year's upturn in residential construction activity.

MARKET WOOD PULP

U.S. shipments of chemical paper grade market wood pulp edged up nearly 1% in 1993 to 8.4 million short tons. The advance was rooted in a strong gain in U.S. shipments to the domestic market and a largely offsetting decline in exports. In particular, shipments of chemical paper grade market pulp to the domestic market surged 17.4% last year to 2.8 million tons.

On the other hand, exports, which accounted for about 70% of total demand for U.S. chemical grade market pulp in 1992, declined 358,000 tons (5.8%) in 1993 to 5.6 million tons. A 500,00 ton decline in exports to Western Europe more than accounted for the overall contraction. U.S. shipments of chemical paper grade market pulp to Japan also lost ground in 1993, while exports to Latin America registered a solid advance.

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MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 1
JANUARY, 1994

PRODUCTION

(000 TONS)	(P) DEC 1993	(R) NOV 1993	DEC 1992	FIRST TWELVE MONTHS		% CHANGE YR TO DATE 1993/1992
				1993	1992	
PAPER GRADES						
Newsprint	577	594	584	7,076	7,082	-0.1
Printing & Writing	1,924	1,962	1,923	23,868	23,394	2.0
Uncoated Groundwood (s)	148	147	136	1,741	1,609	8.3
Coated Groundwood (s)	345	347	377	4,290	4,364	-1.7
Coated Free Sheet (s)	317	319	302	3,894	3,755	3.7
Total Coated Paper (s)	662	666	679	8,183	8,119	0.8
Uncoated Free Sheet Paper (s)	977	1,011	986	12,336	12,170	1.4
Thin Paper (s)	14	13	15	157	175	-10.4
Cotton Fiber Paper (s)	14	13	12	164	159	3.2
Bleached Bristols (s)	111	112	94	1,286	1,163	10.6
Tissue Paper	514	498	482	6,008	5,784	3.9
Total Pkg & Other Paper	372	388	362	4,630	4,713	-1.8
Unbl. Kraft Paper (s)	180	187	178	2,254	2,380	-5.3
Bl. Kraft Paper (s)	32	34	33	400	403	-0.6
Specialty Pkg. Paper	55	59	56	714	687	3.9
Special Industrial Paper	107	109	96	1,262	1,244	1.5
TOTAL PAPER	3,387	3,442	3,351	41,581	40,973	1.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,854	1,814	1,836	21,447	21,658	-1.0
Unbleached Kraft Linerboard *	1,731	1,700	1,721	19,941	20,170	-1.1
Other Unbl. Kraft Paperboard	123	115	114	1,506	1,487	1.3
Semichemical Paperboard	515	489	501	5,906	5,902	0.1
Bleached Paperboard	415	387	386	4,605	4,503	2.3
Recycled Paperboard	873	909	864	10,843	9,906	9.5
TOTAL PAPERBOARD	3,657	3,598	3,587	42,801	41,968	2.0
TOTAL PAPER AND PAPERBOARD	7,043	7,041	6,939	84,382	82,941	1.7

(000 SHORT TONS)	DEC 1993	NOV 1993	DEC 1992	FIRST TWELVE MONTHS		% CHANGE YR TO DATE 1993/1992
				1993	1992	
U.S. MARKET PULP SHIPMENTS						
Total	753	740	743	8,376	8,305	0.9%
Total Sulfate	723	717	729	8,169	8,067	1.3%
Bleached Sulfate	709	698	710	7,975	7,899	1.0%
Softwood	410	392	420	4,778	4,723	1.2%
Hardwood	299	306	290	3,197	3,176	0.7%
Unbleached	14	19	19	194	169	14.8%
Sulfite, Bleached and Unbleached	30	23	14	207	238	-13.0%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,377	5,226	5,138	62,356	62,011	0.6%
Recovered Paper	2,294	2,350	2,145	27,994	25,440	10.0%

* Includes all unbleached kraft paperboard exports

(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA February 10, 1994	1991	1992	1993	1993 R	1993 P	Ann. Rt. ytd '93	% Chg. 93/92
PAPER & PAPERBOARD — Tons (000)			Oct	Nov	Dec		
Total Production (AFPA)......: excluding :	79,499	82,941	7,172	7,041	7,043	84,382	1.7
Total Seasonally Adjusted.........: construction :			6,953	7,101	7,116	84,227	1.7
Imports (including Products)......: and wet :....E	12,074	12,406	1,258	1,187	1,191	13,906	12.1
Exports (including Products)......: machine :....E	8,311	8,948	784	774	772	9,020	0.8
Apparent Consumption...............: grades :....E	83,261	86,401	7,427	7,514	7,535	89,113	3.3
Paper Production % Tonnage Capacity	89.3	91.1	91.4	91.4	86.9	91.4	
Paperboard Production % Tonnage Capacity	93.6	94.4	93.6	95.2	93.6	93.9	
PAPER, PAPERBOARD & PRODUCTS			Oct	Nov	Dec		
Imports.....:including Construction and :.....E	12,167	12,543	1,271	1,200	1,204	14,049	12.0
Exports.....: WMB Grades (excl. HPB) :.....E	8,331	8,971	786	776	774	9,047	0.9
Market Wood Pulp Shipments – Tons (000)	701	8,291	712	740	753	8,377	1.0
Wood Pulp Imports – Tons (000)....E	409	4,882	444	428	425	5,324	9.0
Wood Pulp Exports – Tons (000)....E	500	6,421	401	496	451	5,772	–10.1
Raw Materials Consumption – Tons (000)							
Wood Pulp..............:consumption for:	56,116	56,873	5,339	5,226	5,377	62,356	9.6
Recovered Paper........:construction & :	21,070	23,295	2,400	2,350	2,294	27,994	20.2
Total..............: WMB grades :	77,186	80,168	7,739	7,576	7,671	90,350	12.7
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	98,242	104,598	8,646	8,678	9,004	105,275	0.6
Employment (000)			Oct	Nov	Dec		
Paper and Allied Products..RS......Total	687.9	687.3	677.0	676.1	676.7	680.3	–1.0
Pulp, Paper and Board Mills..RS.....Total	244.3	238.8	230.5	230.3	230.1	233.5	–2.2
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	12.72	13.07	13.55	13.54	13.60	13.42	2.7
Pulp, Paper Mills......RS	15.66	16.19	17.04	16.96	16.98	16.71	3.2
Paperboard Mills.......RS	15.71	16.24	17.00	17.04	17.16	16.77	3.3
New Plant & Equip. Expenditures, Paper & Allied Prod.			IQ '93	IIQ '93	IIIQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	11.50	10.53	10.60	10.27	9.64	10.23 Y	–2.8
Index of Output per Man–Hour (1982=100)			Oct	Nov	Dec		
:in Pulp, Paper:...Production Workers	105.5	113.2	117.1	121.0	121.0	117.0	3.3
:and Board Mills:...All Employees	105.2	112.9	117.2	120.8	120.8	116.7	3.4
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	128,757	131,282	10,691	10,814	10,759	129,431	–1.4
Pulp, Paper and Paperboard*	53,660	53,442	4,295	4,353	4,286	52,117	–2.5
Inventories (End of Period) – Total Industry*	13,544	13,387	13,579	13,520	13,543	13,543	1.2
Pulp, Paper and Paperboard*	5,493	5,535	5,809	5,802	5,797	5,797	4.7
Paper & Allied Products Companies (Million $)			IQ '93	IIQ '93	IIIQ '93		
Sales (Corporations Only)	122,969	127,562	31,865	33,187	33,181	130,977	2.7
Earnings (Corporations Only)	2,164	1,213	686	814	(1,746)	(328)	–122.5
Depreciation (Corporations Only)	6,504	6,974	1,800	1,868	1,841	7,345	5.9
Net Worth (Corporations Only)	48,642	47,520	47,873	47,838	45,956	141,667	–4.3
Price Indexes (Bureau of Labor Statistics) 1982=100			Oct	Nov	Dec		
Pulp, Paper & Products, ex. Building Grades	118.7	118.5	126.9	126.9	126.9	127.6	7.7
Wood Pulp	108.1	109.6	99.6	98.7	98.5	104.3	–4.8
Waste Paper	110.2	108.2	112.1	107.4	108.4	118.0	9.1
Paper	116.1	112.8	124.1	123.7	123.4	123.8	9.7
Paperboard	119.1	123.2	129.6	130.5	130.5	130.0	5.6
Paper Demand (Indexed: 1987=100)			Oct	Nov	Dec		
Total Paper Production *	105.9	110.8	109.6	111.3	113.3	112.5	1.5
Paper New Supply *	99.6	102.5	106.4	106.2	107.5	106.4	3.9
Demand Indicators – (Weighted Average) *	101.6	101.0	101.6	101.9	101.4	101.3	0.4
Production of Nondurable Goods..RS........*....(21.2%)	104.1	106.5	107.0	107.6	107.4	106.9	1.1
Disposable Income.........................*....(23.9%)	107.3	110.4	113.7	114.2	114.8	112.5	1.9
Total Printing and Publishing..RS..........*....(54.9%)	96.8	95.0	94.3	94.4	93.3	94.3	–0.7
Paperboard Demand (Indexed: 1987=100)			Oct	Nov	Dec		
Total Paperboard Production *	108.0	111.9	114.8	117.8	116.4	114.1	2.0
Production for Domestic Use .....E	105.4	109.6	113.0	115.5	112.9	112.4	2.6
Demand Indicators – (Weighted Average) *	104.0	106.5	109.7	112.0	112.6	110.2	3.4
Production of Consumer Goods..RS........*....(62.06%)	102.8	105.2	106.6	109.6	109.8	108.0	2.7
Production of Equipment..RS...............*....(5.75%)	108.9	112.7	123.8	125.2	126.6	121.3	7.6
Production of Materials..RS...............*....(32.19%)	105.5	107.9	113.2	114.3	115.5	112.3	4.0
Market Data			Oct	Nov	Dec		
Newsprint Consumption (SAAR) – Tons (000)...R.....E	12,565	12,799	12,787	13,139	13,106	12,915	0.9
Newspaper Pub. and Printing Empl. Total(000)	459	451	452	454	454	452	0.1
Magazine Advertising Pages (PIB, Inc.)	160,224	170,303	17,177	17,765	14,903	168,457	–1.1
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	50,896	51,016	4,807	4,707	4,607	53,807	5.5
Inventories (End of Period)	5,044	5,396	5,597	5,466	5,726	5,726	6.1
Fibre Box Data (Fibre Box Association)			Oct	Nov	Dec		
Fibre Box Shipments (Million square feet)	320,106	335,696	32,579	28,943	28,109	353,755	5.4
Container'bd Inventory at Mill & Plant (000 Tons)	2,670	2,918	2,378	2,391	2,495	2,495	–14.5
Retail Trade (Billion $)							
Total Retail Sales *	1,865	1,956	178.5	179.1	180.6	2,082	6.4
Nondurable Goods Stores Sales *	1,212	1,253	110.0	109.9	110.2	1,301	3.8
General Economic Data			Oct	Nov	Dec		
Total Industrial Production (Index 1987 = 100)*	104.1	106.5	112.1	113.2	114.0	111.1	4.2
Producer Prices (All Commodities, Index: 1982=100)	106.6	107.6	119.1	118.9	118.4	118.9	10.5
Consumer Prices (All Items–Urban Con.) (1982–4=100)	136.2	140.3	145.7	145.8	145.8	144.4	2.9
Gross Domestic Product – Annual Rate (Billion$) *			IIQ '93	IIIQ '93	IVQ '93		
G.D.P. or Expenditure – Current $	5,722.9	6,038.5	6,327.6	6,395.9	6,510.8	6,374.0	5.6
G.D.P. or Expenditure – 1987 $	4,861.4	4,986.3	5,102.1	5,138.0	5,212.1	5,132.6	2.9
Paper & Paperboard Consumption – Pounds per Capita	659	677				694	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = May est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

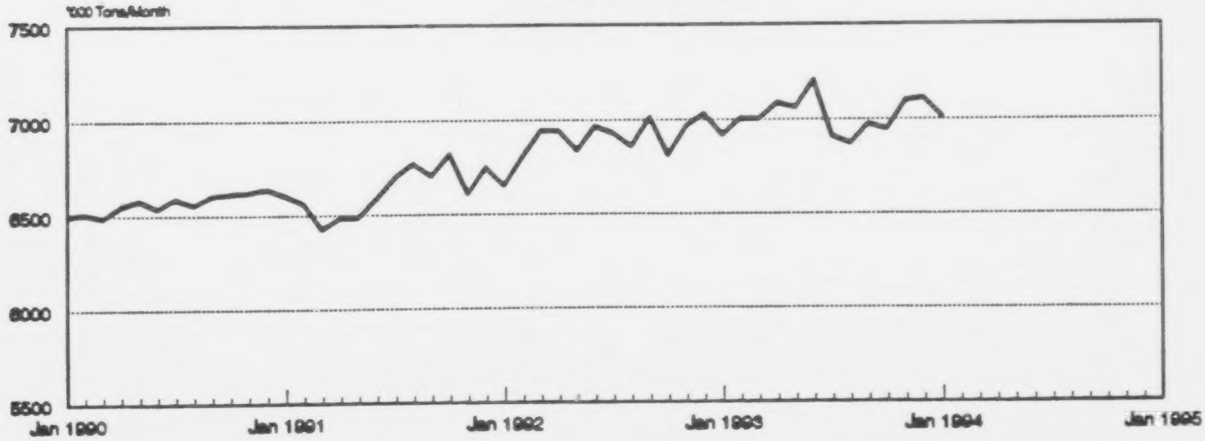
Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 72 No. 2 February 1994

HIGHLIGHTS

- Paper and paperboard production exceeded its year-ago level by 1.4% in January, with all of the increase accounted for by the paperboard sector which posted a 3.4% production gain. Paper production trailed its year-ago volume by 0.7% in January 1994.
- Seasonally-adjusted paper and paperboard production (see graph) eased slightly between December and January, possibly reflecting the severe weather conditions in many parts of the country.
- Containerboard inventories at box plants and mills trended lower in January, continuing a pattern that has been in evidence since early 1993.
- The Canadian Pulp and Paper Association recently reclassified approximately 300,000 tons of paper shipments to the U.S. from newsprint to groundwood.
- The U.S. recovery rate for paper and paperboard reached the 40% mark in the final quarter of 1993 and averaged 39.4% for the entire year.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



Paper: Seasonally-adjusted paper production edged lower in January and was off 0.9% from its average fourth quarter 1993 level. Compared to year-ago, production of tissue papers was up a handsome 4.5% in January, newsprint production was up fractionally, packaging and other converting papers held even, and printing-writing papers lagged.

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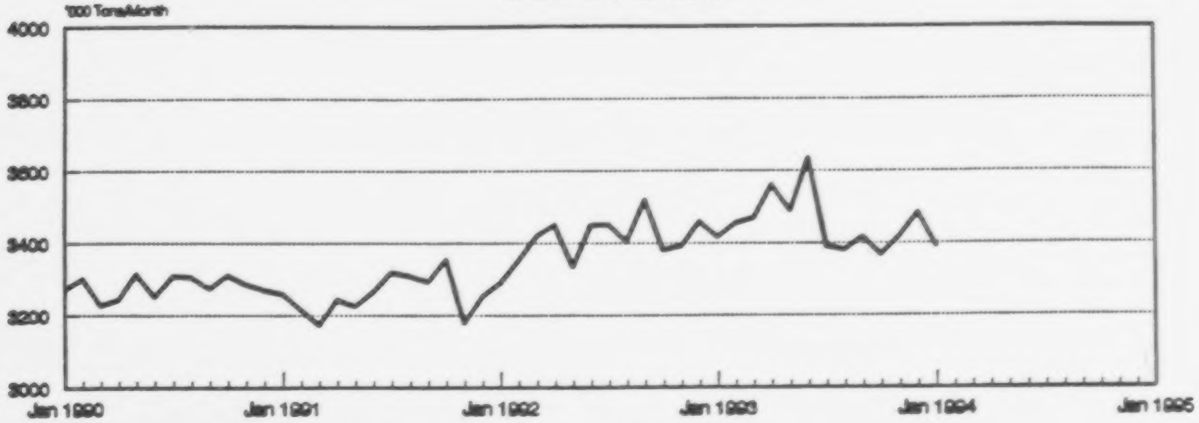


PAPER PRODUCTION
seasonally adjusted

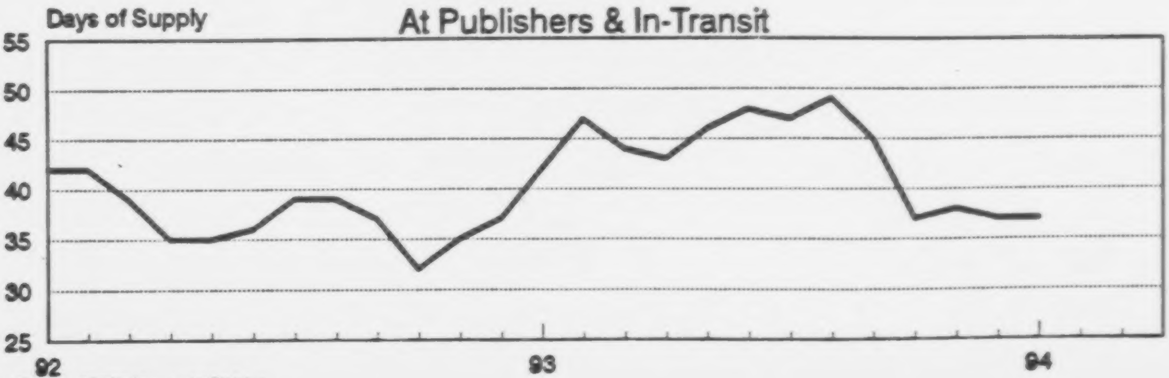
Canadian newsprint shipments to the U.S. have been revised by the Canadian Pulp and Paper Association (CPPA) to reflect a reclassification of newsprint tonnage to groundwood. The revisions reduced reported newsprint shipments to the U.S. from Canada by 2.1% in 1991, 3.0% in 1992, and 2.8% in 1993.

The reclassification reduced 1993 newsprint new supply (U.S. shipments to the domestic market plus imports less exports) by 1.4% -- from 12.94 million tons to 12.76 million tons.

Based on these revised numbers, newsprint new supply contracted 7.1% in 1991, and then grew 1.6% in 1992 and 0.8% in 1993. The corresponding growth rates prior to the revisions were -6.1%, 2.0%, and 0.7%.

The U.S. share of North American newsprint shipments to the domestic market stood at 50% in 1992 and 49.2% last year.

U.S. shipments of newsprint exceeded their year-ago level by 2.0% in January 1994, reflecting a 1.7% increase in shipments to the domestic market and a 4.3% expansion in shipments to other nations. Canadian newsprint shipments to the U.S. trailed their year-ago level by 11.6% in January. Newsprint stocks on hand at publishers and in transit amounted to 37 days of supply at the end of January 1994, the same level as last December but a 5-day reduction relative to January 1993.



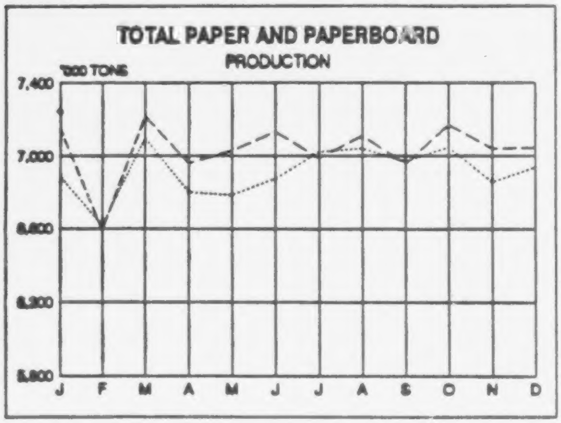
Newsprint Inventories:
At Publishers & In-Transit

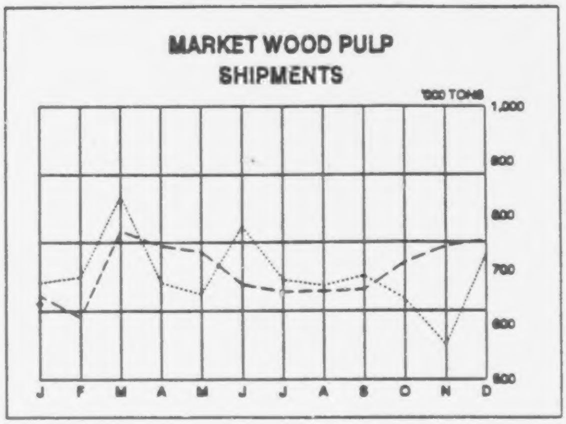
Source: AF&PA Newsprint Division

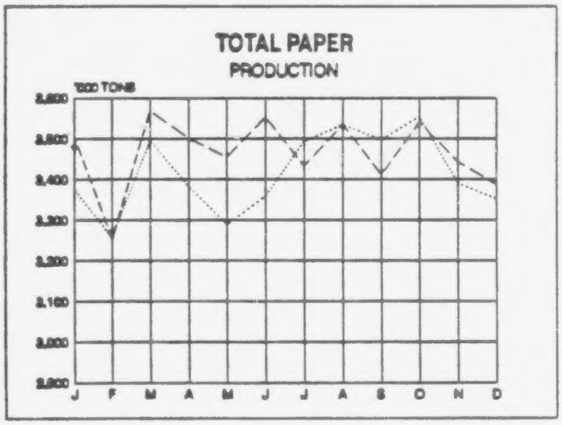
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		OCT	NOV	DEC (R)	JAN (P)	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1993	1993	1993	1994	1994	Last Year
PAPER								
Newsprint - Production	7,062	7,069	609	591	577	618	7,418	0.5
- Shipments	7,125	7,050	596	604	569	618	7,391	2.0
Printing & Writing: Total Shipments	23,394	23,868	2,014	1,962	1,924	1,956	23,471	-2.5
Groundwood Paper - Shipments	1,809	1,742	161	147	148	144	1,727	-1.9
- New Orders	1,855	1,825	169	123	149	158	1,897	-8.5
- Unshipped Orders	184	150	229	201	208	212	212	41.0
Coated Groundwood - Shipments	4,364	4,290	333	347	345	346	4,149	-4.4
Coated Free Sheet - Shipments	3,755	3,894	340	319	317	309	3,704	-2.3
Total Coated Papers - Shipments	8,119	8,183	674	666	662	654	7,853	-3.4
- New Orders	8,151	8,283	657	613	742	655	7,854	-8.4
- Unshipped Orders	803	782	725	657	747	718	718	-5.8
Unctd Free Sheet - Shipments	12,170	12,338	1,037	1,011	977	1,023	12,275	-2.8
- New Orders	12,293	12,481	1,022	982	974	998	11,975	-11.2
- Unshi[illegible]d Orders	720	794	808	864	873	743	743	-8.4
Thin Papers [illegible]hipments	175	157	14	13	14	13	156	-9.4
Cotton Fiber Paper - Shipments	159	164	14	13	14	13	150	-7.2
Bleached Bristols - Shipments	1,163	1,286	114	112	111	109	1,309	7.4
Tissue Paper - Production	5,784	6,008	518	498	514	517	6,206	4.5
Total Packaging & Other Paper	4,713	4,802	395	386	371	387	4,639	-0.0
Unbl. Kraft Paper - Shipments	2,380	2,254	187	187	180	197	2,365	2.8
Bl. Kraft Paper - Production	403	400	37	34	32	34	408	-2.0
Specialty Pkg. Paper - Production	687	644	61	53	50	50	605	-4.9
Special Industrial Paper - Production	1,244	1,304	111	112	110	105	1,261	-1.9
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,546	3,536	3,437	3,385	3,478	41,734	-0.7
TOTAL PAPER PRODUCTION - SEAS ADJ			3,368	3,420	3,483	3,393	40,716	-0.7
PAPERBOARD - PRODUCTION								
Containerboard	29,357	29,587	2,506	2,492	2,548	2,614	31,363	3.2
Cont'bd For Dom Use for Fibre Boxes	25,746	26,175	2,222	2,177	2,218	2,258	27,097	0.1
Total Linerboard	17,785	18,173	1,552	1,510	1,527	1,549	18,587	-0.9
Unbleached Kraft	16,850	16,732	1,424	1,402	1,411	1,421	17,047	-2.3
Solid Bleached	150	146	12	13	13	11	134	7.7
Recycled	784	1,296	116	95	103	117	1,405	18.8
Corrugating Medium	7,961	8,001	670	667	692	709	8,510	2.3
Semichemical	5,722	5,741	481	476	503	488	5,850	-1.2
Recycled	2,239	2,261	189	191	189	222	2,660	11.2
Other Containerboard for Dom Use	345	309	23	24	23	27	328	-12.2
Containerboard for Export	3,267	3,103	260	291	307	328	3,938	34.0
Boxboard	12,611	13,214	1,126	1,107	1,109	1,151	13,810	3.8
Boxboard for Packaging for Dom Use	7,390	7,718	643	642	644	674	8,083	2.4
Folding Boxboard	5,651	5,906	500	487	485	503	6,037	-0.1
Solid Bleached	1,888	1,978	165	165	175	157	1,889	1.3
Unbleached Kraft	1,143	1,197	97	91	100	120	1,445	8.9
Recycled *	2,620	2,730	238	232	210	225	2,704	-4.3
Set-up Boxboard for Dom Use	283	303	31	28	20	31	366	39.3
Milk Carton & Food Service Dom Use	1,457	1,509	112	127	139	140	1,680	5.5
Other Boxboard for Domestic Use	4,158	4,404	388	376	362	401	4,806	11.2
Boxboard for Export	1,063	1,092	95	89	103	77	920	-15.0
Paperboard Production by Furnish	41,968	42,811	3,632	3,596	3,657	3,764	45,172	3.4
Unbleached Kraft	21,658	21,447	1,818	1,814	1,854	1,897	22,758	2.9
Semichemical	5,902	5,820	493	489	515	503	6,041	1.7
Solid Bleached Kraft	4,503	4,605	371	387	415	384	4,613	0.5
Recycled	9,906	10,938	950	909	873	980	11,760	8.4
Paperboard Production for Export	4,329	4,195	356	380	410	405	4,859	20.8
Unbleached Kraft	3,320	3,209	273	298	321	328	3,938	33.3
Semichemical	180	165	12	13	12	16	191	-3.6
Bleached Kraft	756	742	65	62	71	54	653	-16.1
Recycled	72	79	5	8	7	6	78	-16.6
TOTAL PAPERBOARD PRODUCTION - UNADJ	41,968	42,811	3,632	3,596	3,657	3,764	45,172	3.4
TOTAL PAPERBOARD PROD - SEAS ADJ			3,582	3,676	3,631	3,623	43,476	3.4
PAPER AND PAPERBOARD - UNADJ	82,941	84,357	7,168	7,035	7,042	7,242	86,906	1.4
PAPER AND PAPERBOARD - SEAS ADJ			6,950	7,095	7,114	7,016	84,192	1.4

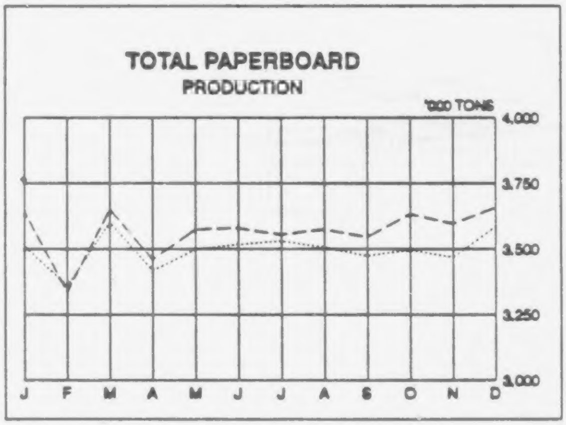
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

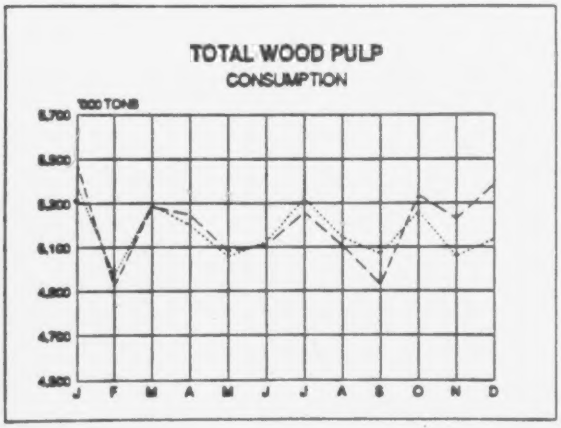
* Container Chip and Filler reclassified into Recycled Corrugating Medium

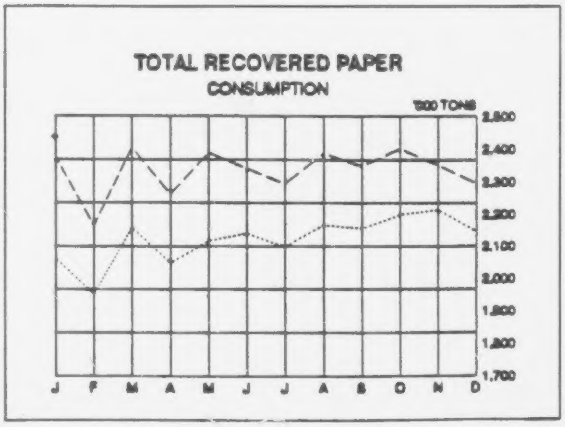

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

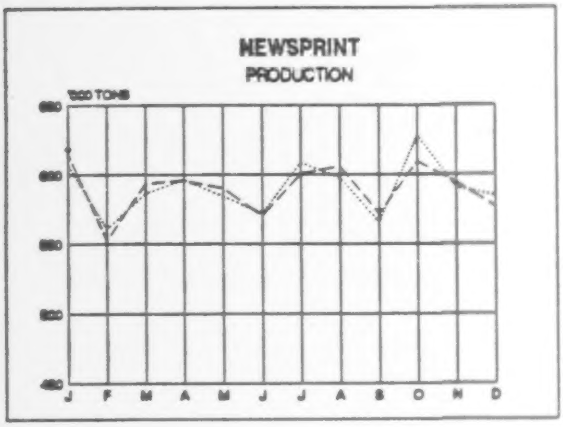
1992 .... 1993 ----- 1994 *

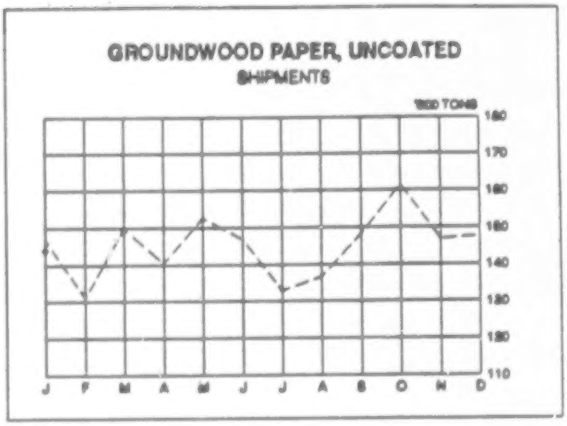
WOOD PULP STATISTICS (Thousands of Tons)		YEAR		IQ 1993	IIQ 1993	IIIQ 1993	IVQ 1993	Annual Rate Y-T-D 1993
		1991	1992					
TOTAL WOOD PULP								
Total Wood Pulp (Paper Grades)	Production	62,266	63,960	15,728	15,650	15,498	16,032	62,908
	Imports	4,824	4,882	1,400	1,274	1,353	1,293	5,320
	Exports	5,566	6,421	1,490	1,546	1,387	1,427	5,851
	New Supply	61,524	62,421	15,638	15,287	15,464	15,898	62,286
Paper Grades Chemical Pulp	Production	51,768	53,358	13,147	13,086	12,978	13,527	52,738
	Imports	4,504	4,570	1,280	1,156	1,258	1,196	4,889
	Exports	5,516	6,321	1,453	1,511	1,371	1,411	5,747
	New Supply	50,756	51,607	12,974	12,731	12,864	13,311	51,880
Groundwood and Thermo-Mech.	Production	6,404	6,501	1,576	1,555	1,516	1,511	6,158
	Imports	320	312	121	119	95	97	431
	Exports	50	100	38	35	16	16	104
	New Supply	6,673	6,713	1,659	1,639	1,595	1,592	6,485
Semi-Chemical	Production	4,094	4,101	1,005	1,008	1,005	995	4,012
	Imports							
	Exports							
	New Supply	4,094	4,101	1,005	1,008	1,005	995	4,012
MARKET WOOD PULP								
Paper Grades Chemical Pulp	Production	7,660	8,670	2,031	2,043	2,092	1,951	8,117
	Imports	2,816	2,946	792	736	787	817	3,132
	Exports	5,169	5,906	1,321	1,445	1,294	1,511	5,571
	New Supply	5,307	5,709	1,502	1,335	1,585	1,257	5,678

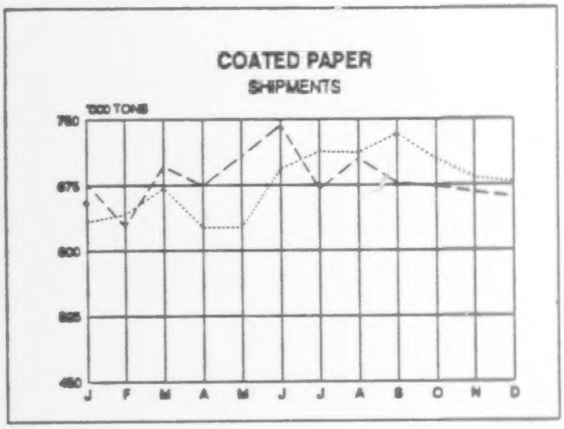
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pul
Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Comm

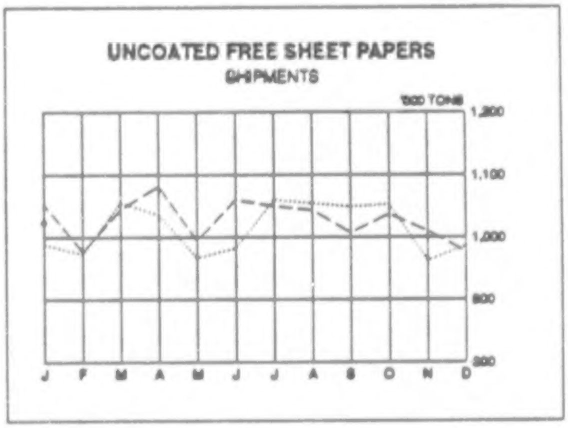
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		IQ 1993	IIQ 1993	IIIQ 1993	IVQ 1993	Annual Rate Y-T-D 1993
	1991	1992					
CONSUMPTION AT PAPER & PAPERBOARD MILLS							
Total	84,272	87,451	22,617	22,422	22,318	22,993	90,350
Total Wood Pulp	61,301	62,011	15,681	15,435	15,291	15,949	62,356
Recovered Paper	22,971	25,440	6,936	6,987	7,027	7,044	27,994
INVENTORIES **							
Chemical Paper Grade Market Pulp							
Producers' Own-Use Inventories	219	194	203	205	219	182	219
Producers' Market Inventories	518	882	876	768	874	783	874
Consumers' Purchased Inventories *	451	407	450	400	377	N.A	377
Recovered Paper at Paper & Bd. Mills	1,119	1,152	1,101	1,107	1,097	1,056	1,097
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	23	41	38	32	39	39	39

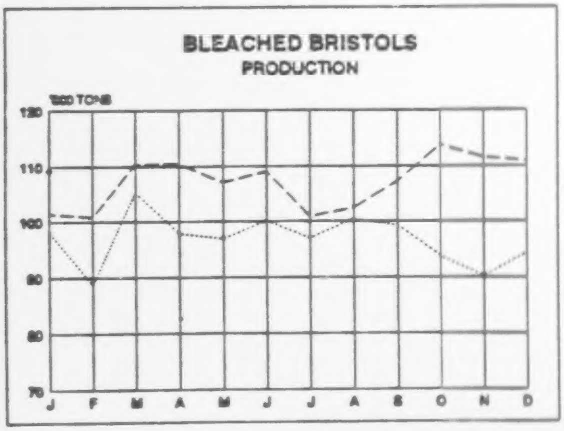
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPN.A. - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

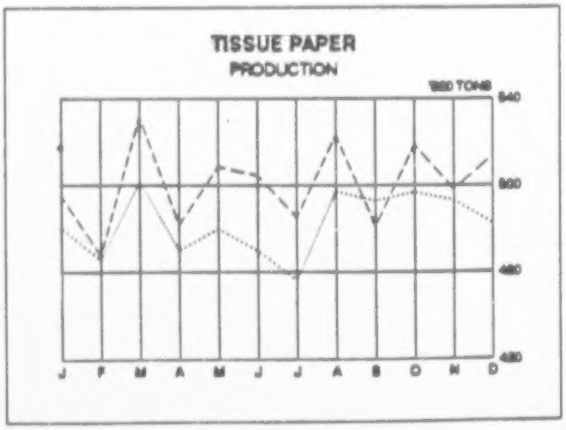

NEWSPRINT
PRODUCTION


GROUNDWOOD PAPER, UNCOATED
SHIPMENTS


COATED PAPER
SHIPMENTS


UNCOATED FREE SHEET PAPERS
SHIPMENTS


BLEACHED BRISTOLS
PRODUCTION


TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 *

FIBROUS RAW MATERIALS Thousands of Standard (128 Cu. ft.) Cords	YEAR		Sep	Oct	Nov	Dec	ANNUAL RATE Y-T-D	% CHANGE FROM SAME PD LAST YEAR
	1991	1992	1993	1993	1993	1993	1993	
PULPWOOD								
Total U.S. – Total Receipts	98,889	103,891	8,899	8,959	8,741	9,032	106,082	2.1
– Total Consumption	99,242	104,596	8,847	8,846	8,678	9,004	106,275	0.8
– Residues *	34,087	39,784	3,572	3,840	3,512	3,848	43,134	8.4
– Inventories	5,684	5,314	5,983	5,951	5,833	5,969	5,969	12.7
So. Atlantic – Total Receipts	31,286	33,704	2,889	2,962	2,889	2,968	34,858	3.7
– Total Consumption	31,625	34,015	2,796	2,830	2,919	2,898	34,693	2.0
– Residues *	16,199	13,173	1,231	1,277	1,256	1,349	14,918	13.2
– Inventories	1,284	1,199	1,489	1,514	1,486	1,503	1,503	25.4
Northeast – Total Receipts	7,330	7,611	669	639	614	684	7,791	3.7
– Total Consumption	6,940	7,341	647	610	631	658	7,751	5.6
– Residues *	1,707	1,800	148	131	140	180	1,782	-1.0
– Inventories	423	947	930	864	828	930	930	-4.9
South Central – Total Receipts	38,751	42,685	3,367	3,794	3,794	3,872	44,542	4.4
– Total Consumption	39,321	42,966	3,873	3,940	3,602	3,675	44,030	2.5
– Residues *	11,703	15,844	1,480	1,456	1,425	1,485	17,896	13.2
– Inventories	1,837	1,736	1,984	2,001	2,028	2,126	2,126	22.6
North Central – Total Receipts	7,207	7,310	606	627	684	706	7,419	1.5
– Total Consumption	7,313	7,339	686	607	630	664	7,506	2.3
– Residues *	1,187	1,139	86	94	87	145	1,118	-1.8
– Inventories	925	813	741	729	664	721	721	-11.3
West – Total Receipts	14,082	12,701	896	867	870	867	11,372	-10.5
– Total Consumption	13,943	12,947	961	920	896	919	11,284	-12.8
– Residues *	9,324	8,128	615	651	605	619	7,722	-6.0
– Inventories	1,419	1,219	1,296	1,335	1,329	1,307	1,307	7.2

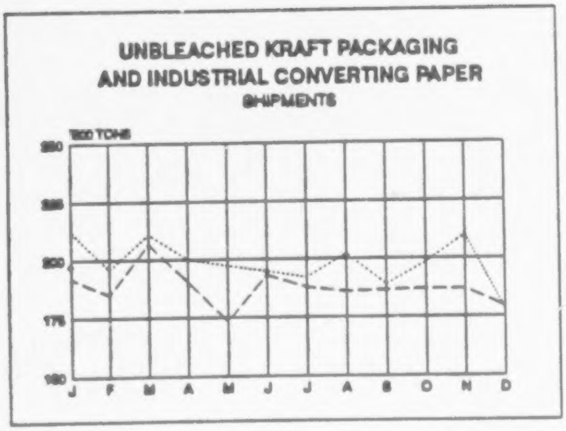
SOURCE: American Pulpwood Association

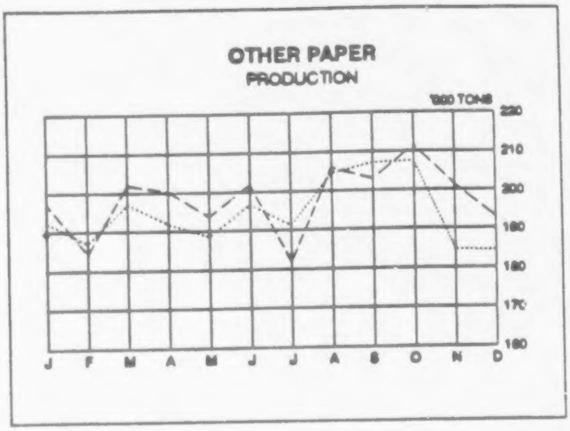
* – Consumption of Residues in cords equivalent

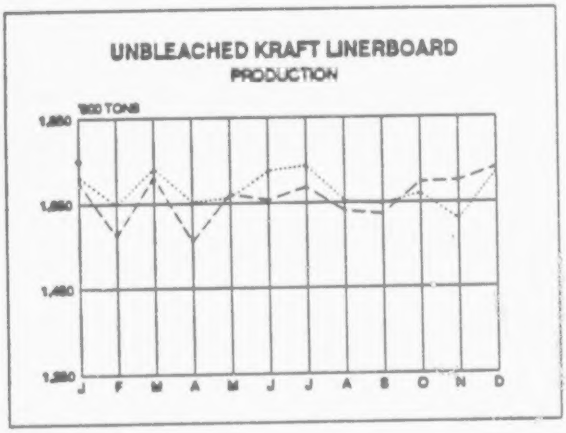
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						ANNUAL RATE Y-T-D 1993	% CHANGE FROM SAME PD LAST YEAR
	YEAR 1992		November 1993		December 1993			
	Tons	($000)	Tons	($000)	Tons	($000)	Tons	
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood chips	510,775	18,378	28,481	1,171	30,519	1,400	380,090	-29.5
Wood Pulp, Total	4,272,013	1,789,418	375,755	119,011	384,221	113,562	4,562,246	8.1
Waste Fibrous Materials, Total	124,916	23,340	10,036	1,248	12,016	1,391	127,838	2.3
Paper, Board & Products, Total	10,942,118	5,877,861	1,001,801	518,869	919,854	461,836	11,546,456	5.5
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	10,838,886	5,493,006	978,287	470,172	897,218	417,466	11,291,573	6.1
Paper, Paperboard & Products	10,661,734	5,947,813	991,120	516,324	912,088	460,566	11,427,296	7.2
Paper & Paperboard, Only	10,519,849	5,462,570	967,486	467,527	889,832	415,474	11,170,712	6.2
Paper, Total	9,679,843	5,130,294	880,857	435,377	806,371	386,610	10,249,618	5.9
Newsprint	7,249,236	3,565,746	643,569	285,909	606,216	280,047	7,630,129	5.3
Printing, Writing & Rel. Pap.	2,095,856	1,294,773	226,496	129,531	179,022	106,575	2,350,550	5.8
Pack. & Ind. Conv. Paper	218,420	131,427	17,576	10,117	16,183	8,818	204,576	-6.5
Special Industrial Paper	58,398	96,042	4,577	8,417	3,961	8,627	60,400	1.8
Tissue Paper	58,861	49,305	8,424	4,742	3,660	4,444	73,952	26.4
Paperboard, Total	840,006	332,576	86,859	32,150	83,261	28,864	921,094	9.7
Convtd Paper&Paperbd Products	293,218	484,943	23,634	48,797	22,438	44,061	386,583	28.3
Wet Machine Board	813	721	96	94	65	63	800	-1.6
Construction Paper & Board	118,438	29,417	10,736	2,610	7,821	1,917	120,361	1.6

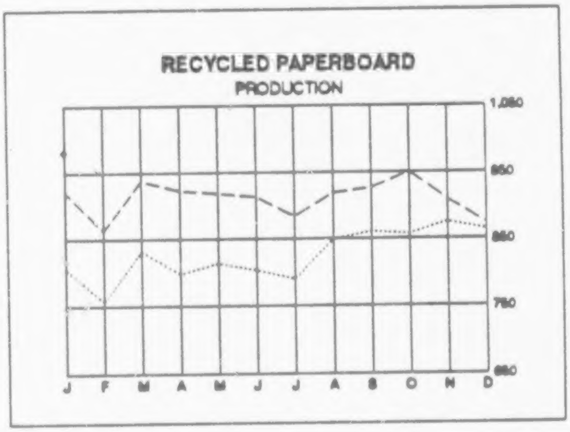
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,204,575	65,223	174,791	5,475	189,465	5,986	2,263,860	2.7
Pulpwood chips	384,094	18,539	47,046	2,323	43,179	2,264	380,386	-0.2
Wood Pulp, Total	444,674	146,084	25,273	10,379	22,411	8,863	313,005	-29.6
Cotton Pulp & Other Pulp	11,306	6,756	284	200	266	186	5,710	-49.5
Waste Paper	796,302	115,834	86,762	11,209	80,804	10,669	1,162,446	46.5
Paper, Board & Products, Total	1,589,726	1,602,881	144,891	149,143	128,269	135,976	1,710,071	7.6
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	1,154,140	893,462	104,575	84,839	91,599	77,918	1,231,576	6.7
Paper, Paperboard & Products	1,587,697	1,623,318	144,698	149,026	129,290	135,931	1,704,072	7.3
Paper & Paperboard, Only	1,032,947	869,099	104,613	84,722	91,516	77,273	1,226,577	7.2
Paper, Total	667,225	596,351	56,909	56,190	50,093	54,606	671,802	-2.3
Newsprint	34,556	17,341	486	217	484	287	14,376	-58.4
Printing, Writing & Rel. Pap.	486,673	480,145	41,036	40,842	36,347	37,575	450,106	-8.1
Pack. & Ind. Conv. Paper	60,287	43,517	5,486	4,283	4,199	3,324	56,640	-6.2
Special Industrial Paper	67,855	117,480	6,379	10,473	6,233	10,034	85,480	26.0
Tissue Paper	29,574	27,969	2,536	2,596	3,360	3,378	36,031	21.8
Paperboard, Total	465,677	382,748	46,704	38,532	41,423	22,665	554,375	21.6
Convtd Paper&Paperbd Products	444,586	689,219	40,065	64,304	37,773	61,856	478,185	7.6
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	11,006	4,363	392	117	69	46	5,860	-46.7

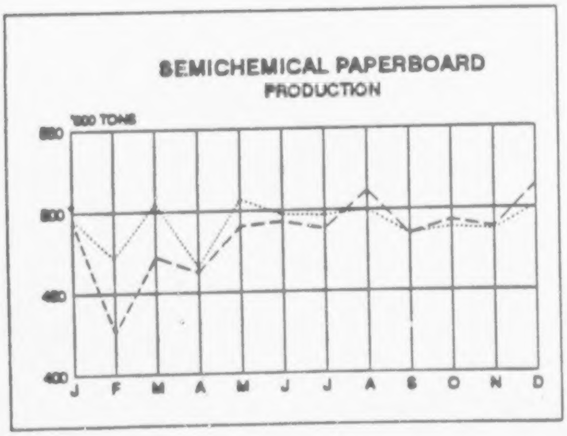
SOURCE: Bureau of Census, Department of Commerce

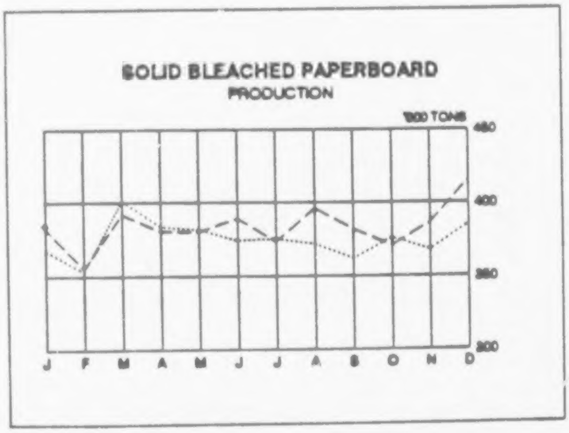

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1992 .... 1993 ----- 1994 *

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1992		November 1993		December 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	512,961	16,462	40,563	1,809	80,721	4,279	753,442	46.9
Total All Imports	17,731,961	10,028,235	1,842,703	854,858	1,570,487	793,120	19,529,543	10.1
Wood Pulp Total	5,029,302	2,094,235	431,099	137,010	431,440	135,321	5,412,797	7.6
Waste Paper	149,656	27,668	10,598	1,419	12,516	1,502	137,835	-7.9
Other Fibrous Materials	10,340	7,022	1,495	614	978	771	8,143	-21.2
Paper Board & Products Total	12,542,663	7,899,310	1,199,512	715,814	1,125,554	655,526	13,970,768	11.4
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	12,112,101	6,754,223	1,154,785	601,999	1,082,782	549,279	13,475,665	11.3
Paper Ppbd & Prds ex Cnst&WMB	12,405,877	7,855,513	1,187,207	711,811	1,115,391	651,417	13,830,567	11.5
Paper & Paperboard Only	11,975,314	6,710,426	1,142,480	597,996	1,072,620	545,170	13,335,464	11.4
Paper Total	11,031,198	6,296,038	1,041,432	557,584	971,298	506,746	12,250,220	11.1
Newsprint	7,339,583	3,596,936	649,545	287,942	616,650	263,573	7,783,906	6.1
Printing & Writing	3,173,196	2,100,089	361,109	222,257	317,601	199,035	3,984,250	25.6
Uncoated Groundwood	1,418,885	859,708	158,470	90,413	129,543	72,022	1,733,551	22.2
Coated Print.& Impreg. Pap.	830,055	808,376	93,316	66,337	91,036	66,948	1,138,928	37.0
Uncoated Free Sheet	802,147	800,413	90,244	56,321	87,077	51,342	991,249	23.6
Thin (except Cigarette)	11,821	15,303	189	513	280	381	6,759	-42.8
Bristols	110,290	116,289	8,891	8,872	9,696	9,342	115,764	5.0
Total Pkg & Other Paper	452,286	541,617	32,774	41,525	29,721	38,678	399,411	-11.7
Unbleached Kraft Paper	228,001	106,122	16,332	8,722	14,209	7,060	177,342	-22.2
Other Pkg. & Indust. Paper	224,285	435,495	16,442	32,803	15,512	31,618	222,070	-1.0
Tissue	66,130	55,346	8,004	5,859	7,327	5,460	82,653	25.0
Paperboard, Total	944,117	414,388	101,049	40,412	101,322	38,423	1,085,243	14.9
Kraft Paperboard	176,950	68,644	20,124	7,496	19,720	7,230	217,945	23.2
Semi-Chemical Corrugating	148,131	36,790	29,616	7,520	24,978	6,288	267,438	80.5
Other Paperboard	619,036	308,954	51,309	25,396	56,624	24,905	599,861	-3.1
Convtd Paper&Paperbd Products	430,562	1,145,087	44,727	113,816	42,772	106,247	495,103	15.0
Paper Products, Total	304,048	891,733	32,211	88,991	31,754	86,370	355,636	17.0
Paperboard Products, Total	126,515	253,353	12,516	24,824	11,018	19,877	139,466	10.2
Wet machine Board	933	816	51	45	65	63	924	-1.0
Construction Paper & Board E	135,853	42,981	12,254	3,958	10,098	4,046	139,278	2.5
Notes								
Other: No Weight Avail. ($000)		151,879		15,192		13,733	170,733	12.4
Total Imports Incl. Other($000)		10,180,113		870,050		806,853	10,587,047	4.0

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1992		November 1993		December 1993		Annual Rate YTD 1993	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood, Roundwood (cubic meters)	2,252,713	63,909	188,442	6,236	192,947	6,314	2,337,214	3.8
Pulpwood Chips	5,651,111	474,425	462,352	39,607	454,196	34,870	5,248,132	-7.1
Total All Exports	22,756,589	10,241,859	1,828,902	776,636	1,947,647	793,782	21,637,893	-4.9
Wood Pulp,Total	7,222,258	3,114,419	668,097	180,930	675,847	188,560	6,499,065	-10.0
Cotton Pulp and Other Pulp	115,956	92,001	11,042	7,012	7,362	5,435	124,656	7.5
Waste and Old Paper	6,447,655	643,516	483,721	40,539	511,725	42,163	5,888,369	-8.7
Paper, Board & Products,Total	8,970,720	6,391,924	778,042	648,155	852,712	657,625	9,125,803	1.7
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,559,285	4,305,067	646,705	351,629	684,964	367,020	7,521,376	-0.5
Paper, Ppbd & Prod ex Cnst&WMB	8,946,054	6,379,472	774,213	647,431	850,848	656,583	9,099,320	1.7
Paper & Paperboard, Only	7,534,619	4,292,615	644,876	350,905	683,101	365,978	7,494,893	-0.5
Paper, Total	2,635,060	2,061,388	209,943	171,964	228,225	175,119	2,586,993	-1.8
Newsprint	1,022,756	467,357	86,139	40,317	102,416	49,460	1,019,146	-0.4
Printing & Writing	1,158,188	1,022,740	86,414	79,491	80,451	80,512	1,120,439	-3.3
Uncoated Groundwood	116,020	82,732	8,023	5,035	7,161	4,675	109,386	-5.7
Clay Coated Paper	360,797	304,699	31,014	24,644	28,062	22,940	342,036	-5.2
Uncoated Free Sheet	448,985	446,094	32,769	35,890	35,420	36,738	425,310	-5.3
Other Printing & Writing	232,386	189,215	16,609	13,921	19,808	16,160	243,707	4.9
Total Pkg. & Other Paper	381,842	483,062	32,057	44,842	29,169	36,248	379,092	-0.7
Unbleached Kraft	141,105	73,814	11,738	6,007	10,814	5,513	130,748	-7.3
Other Pkg. & Indust. Paper	240,736	409,247	20,319	38,835	18,355	30,735	248,345	3.2
Tissue	72,274	88,230	5,332	7,513	6,189	8,899	68,315	-5.5
Paperboard, Total	4,899,559	2,231,227	434,933	178,941	454,876	190,859	4,907,901	0.2
Solid Wood Pulp	4,657,574	2,094,365	415,943	168,783	439,094	180,290	4,645,501	-0.3
Total Linerboard	3,224,393	1,107,369	276,840	81,250	292,734	86,329	2,995,058	-7.1
Bleached Kraft Linerboard	65,602	37,914	2,785	2,101	437	293	14,552	-77.8
Unbleached Kraft Linerbd	3,158,792	1,069,456	274,055	79,148	292,297	86,036	2,980,506	-5.6
Other Unbleached Kraft	398,633	211,163	30,511	15,686	35,112	18,257	505,984	26.9
Other Bleached Kraft	958,950	751,904	93,811	69,043	97,004	71,799	1,025,864	7.0
Semi-Chemical Corrugating	75,598	23,928	14,781	3,805	14,244	.3,905	118,595	56.9
Recycled Paperboard	241,985	136,862	18,930	10,158	15,782	10,569	262,399	8.4
Convtd Paper&Paperbd Products	1,411,436	2,086,857	129,337	196,526	167,748	190,605	1,604,427	13.7
Paper Products, Total	638,804	1,347,561	57,896	125,907	100,866	121,432	750,263	17.4
Paperboard Products, Total	772,632	739,295	71,441	70,619	66,882	69,173	854,164	10.6
Wet Machine Board	883	289	0	0	21	15	596	-32.5
Construction Paper & Board E	23,783	12,164	1,829	724	1,843	1,028	25,886	8.8
Notes								
Other: No Weight Avail. ($000)		77,411		7,902		6,402	86,234	11.4
Total Exports Incl. Other($000)		10,319,270		784,538		800,184	9,613,713	-6.8

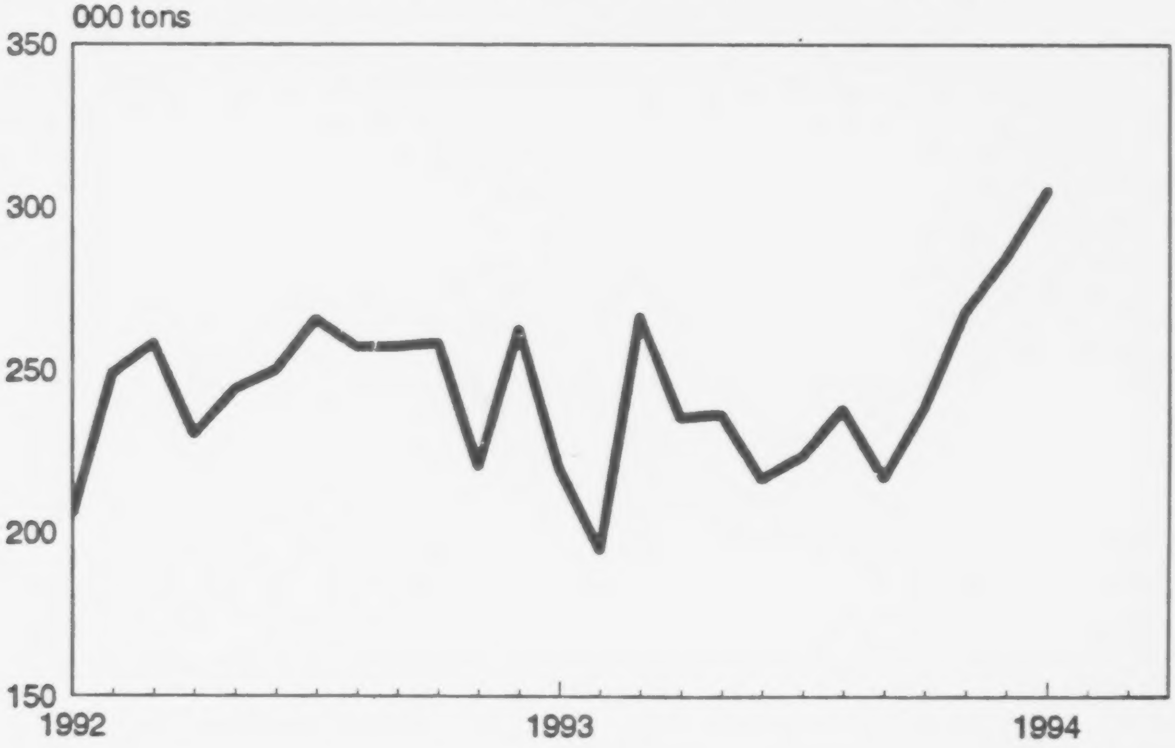
SOURCE: Bureau of Census, U.S. Department of Commerce. E – Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR		OCT 1993	NOV 1993	DEC 1993	JAN 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
	1992	1993						
Pulp, Paper and Products except Building Grades	129.2	127.6	126.9	126.9	126.9	126.8	126.8	-1.2
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.2	127.2	127.2	127.1	127.1	-1.0
Total Wood Pulp	118.9	104.3	99.6	96.7	96.5	100.0	100.0	-10.5
Total Paper	123.2	123.8	124.1	123.7	123.4	122.7	122.7	0.0
Writing Paper, exc. Newsprint	120.2	120.5	121.3	120.5	120.2	119.2	119.2	0.3
Newsprint	110.0	112.0	110.6	110.7	110.7	109.7	109.7	-0.6
Total Paperboard	134.3	130.0	129.6	130.5	130.5	130.3	130.3	-2.0
Total Paper and Paperboard *	126.7	125.7	125.8	125.8	125.6	125.1	125.1	-0.7
Converted Products	134.8	133.7	132.9	133.1	133.3	133.4	133.4	-0.6
Waste Paper	117.4	117.7	112.1	107.4	108.4	107.5	107.5	-13.5
All Commodities	117.2	118.9	119.1	118.9	118.4	119.0	119.0	0.8
Industrial Commodities	117.4	119.0	119.4	118.8	117.9	118.5	118.5	0.2

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

Linerboard Production for Export



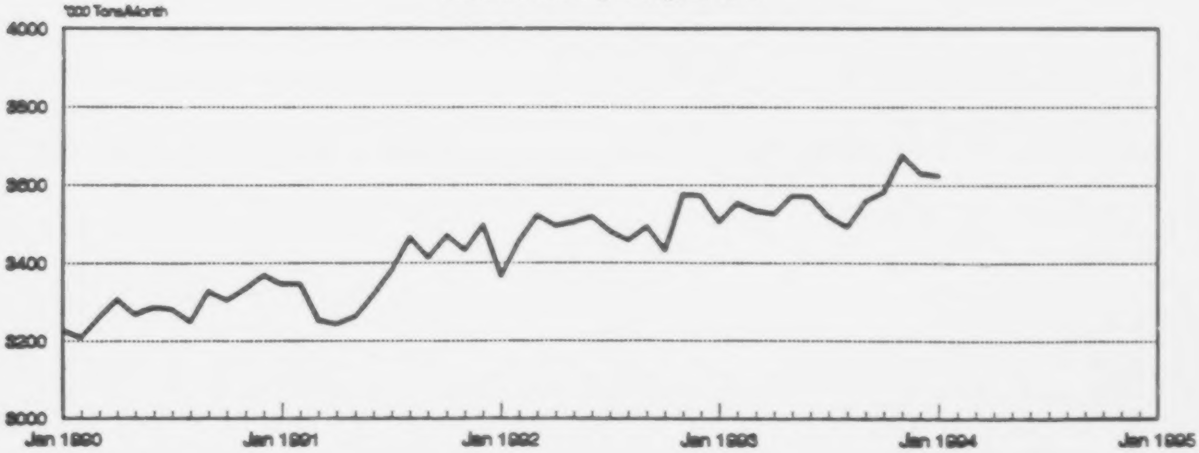
U.S. shipments of the major printing-writing paper grades (uncoated groundwood; uncoated free sheet; coated groundwood and coated free sheet) lagged their year ago level by 3.0% in January 1994, with all four categories posting declines. Total new supply (domestic shipments plus imports minus exports) of these grades was up a fractional 0.4%.

Imports of the four major printing-writing papers grades jumped 24% last year to 4.8 million tons. The import gains reflected increased shipments of printing-writing papers to the U.S. from Western Europe, Canada, and Brazil.

Printing-writing paper inventories at reporting mills (accounting for about 85% of total industry) have trended upwards during the past year or so, rising from 1.39 million tons in January 1993 to 1.69 million tons in January of this year. However, the dollar value of printers' inventories as compiled by the Commerce Department and deflated by AF&PA suggest that these end use inventories have undergone some trimming since early 1993.

As noted above, the Canadian Pulp and Paper Association has reclassified Canadian exports to the U.S. from newsprint to groundwood in the years 1991, 1992, and 1993. The 1993 revision added approximately 300,000 tons to U.S. groundwood imports for that year and 190,000 tons in 1992.

Paperboard: Seasonally-adjusted paperboard production was reported at 3.62 million tons in January 1994, down from November's level of 3.68 million tons but still 1.6% ahead of 1993's average monthly rate of 3.57 million tons a month. The January 1994 level of paperboard production exceeded its year-ago rate by 3.4%.



PAPERBOARD PRODUCTION
seasonally adjusted

Linerboard production for export exceeded its year-ago level by 39% in January. As is indicated by the graph on the bottom of page 10, export-related linerboard production has been tracing out a strong upward pattern since last September.

Containerboard production for box-related domestic use was essentially even with its year-ago level in January, even though box shipments were up 4.4% and cut-up was up 6.0%.

The level performance of containerboard production for box-related domestic use relative to January 1994 reflects continued inventory trimming. Roll stocks at box plants and mills declined 69,000 tons in January 1994, versus a 38,000 ton increase in January 1993. Absent that net swing, containerboard production for domestic use would have posted a 4.7% increase versus year ago in January, about in line with box shipments.

Boxboard production was up 3.8% versus year-ago in January.
The strongest increase within the grade structure -- 11.2% -- was posted by "other boxboard for domestic use," which benefited from strong demand for gypsum wallboard deriving from last year's upswing in residential construction activity. Total folding boxboard production for domestic use held approximately even with its year-ago level in January.

Production of set-up boxboard for domestic use and milk carton and food service board for domestic use posted respective gains of 39.3% and 5.5% relative to their year ago levels in January.

Boxboard production for export eased to 77,000 tons in January from an average level of 96,000 tons during the prior three month period. As a result of that decline, boxboard production for export trailed its year-ago level by 15.0% in January.

Total paperboard production for export -- containerboard and boxboard combined -- exceeded its year-ago volume by 20.8% in January, with all of the gain accounted for by unbleached kraft paperboard.

FIBROUS RAW MATERIALS

U.S. consumption of chemical paper grade market pulp totaled 5.92 million short tons in 1993, according to AF&PA's Pulp Group. Domestic mills accounted for 48% of that total, followed by Canada (41%), Brazil (9%), and Chile (1%). The Nordic and Iberian regions respectively supplied less than 1% of U.S. chemical paper grade market pulp consumption in 1993.

PAPER RECOVERY AT NEW WATERSHED

Paper recycling reached a new watershed in 1993. Even though U.S. exports of recovered paper declined 8.7%, or 560,000 tons, due to poor economic conditions abroad and increased paper recovery in Europe, domestic consumption of recovered paper expanded at a sufficiently rapid pace to lift overall recovery (i.e., for domestic use and export) by 2.2 million tons. This resulted in a U.S. recovery level of 35.8 million tons in 1993, up 6.5% over 1992 and 37% relative to 1988, the industry's base year for measuring recycling progress. The U.S. paper recovery rate reached the industry's 40% goal in the fourth quarter of 1993, two years ahead of schedule, and measured 39.4% for the entire year.

Recovery increased significantly for all of the recovered paper categories in 1993, except high grades which remained flat. Overall recovery of OCC for domestic use and export rose 9.0% (1.37 million tons) last year to 16.7 million tons. That increase lifted the U.S. recovery rate for OCC to 62.5% in 1993, as compared with 58.7% in 1992 and 52.0% in 1988.

The recovery of ONP expanded 6.9% (480,000 tons) last year.

Recovery of mixed papers for domestic use and export rose 8.0% last year to 4.7 million tons, while recovery of high grade papers (high grade deinking and pulp substitutes) turned in a flat performance from 1992 to 1993.

Domestic Recovered Paper Consumption. -- U.S. mill consumption of recovered paper surged 10.3% or 2.7 million tons in 1993 to 28.9 million tons. The largest advance, both on a percentage and tonnage basis, was recorded by OCC, the consumption of which rose by 13.3% or 1.66 million tons. Mill consumption of the other four recovered paper categories increased as follows: ONP (+9.9%, 446,000 tons); mixed papers (+8.5%, 293,000 tons); high grade deinking (+5.5%, 148,000 tons); and pulp substitutes (+4.6%, 137,000 tons).

Last year's 10.3% increase in recovered paper consumption by U.S. mills built on a 10.8% increase in 1992. In the five years since 1988, U.S. mills increased their consumption of recovered paper at an average annual rate of 8.0%. AF&PA's latest Capacity Survey pegs growth at 5.7% a year for the 1994-96 period.

The utilization rate for recovered paper -- U.S. mill consumption of recovered paper as a percentage of paper and paperboard production -- rose to 33.6% in 1993, up from 31.0% in 1992 and 25.2% in 1988.

Exports.--Four of the five major recovered paper grades registered export declines in 1993, the one exception being mixed papers. Exports of corrugated paper and paperboard (old corrugated containers (OCC)), the largest of the recovered paper export categories, declined 11.0% in 1993, after edging up 1.6% in 1992. As a result of last year's sharp decline, U.S. OCC exports were no higher in 1993 than in 1992.

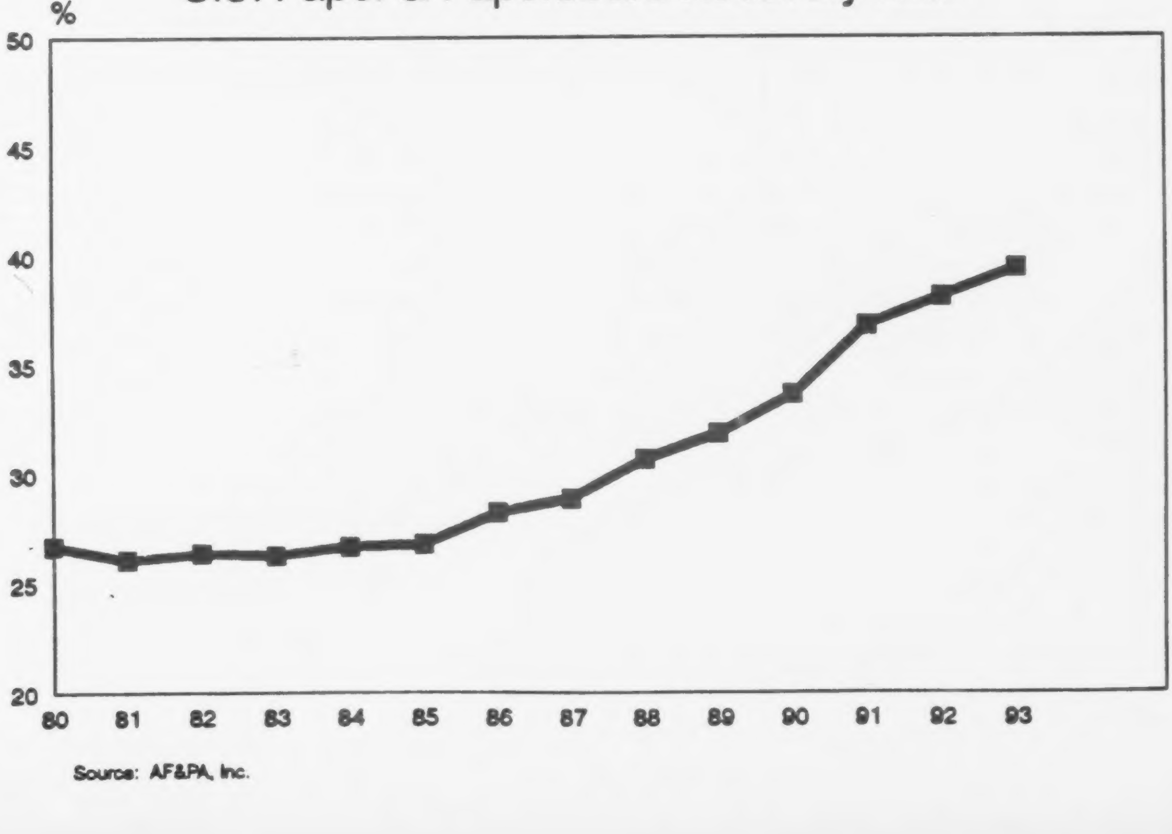
Taiwan (501,307 tons), Korea (468,506 tons), Mexico (277,330 tons) and Japan (205,397 tons) headed the list of destinations for U.S. exports of OCC last year. While U.S. exports of old corrugated to Korea bucked the general downtrend by rising 29% in 1993, deliveries to Taiwan, Mexico and Japan declined 1%, 43%, and 17%, respectively.

U.S. exports of old newspapers (ONP) -- includes other groundwood -- declined 1.3% in 1993 following an essentially flat performance in 1992. U.S. exports of ONP have increased approximately 4% since 1988. Korea (374,466 tons), Taiwan (193,119 tons), Japan (148,574 tons) and Mexico (102,971 tons) were the leading foreign sources of demand for U.S. ONP in 1993. U.S. deliveries of ONP to Korea and Taiwan contracted 14.4% and 28.9%, respectively, last year, while exports to Japan and Mexico gained significant ground.

Overall U.S. exports of high grade recovered papers (deinking grades as well as pulp substitutes) declined 4.8% in 1992 and an additional 19.8% last year. Measured relative to 1988, they were off 5.7% in 1993.

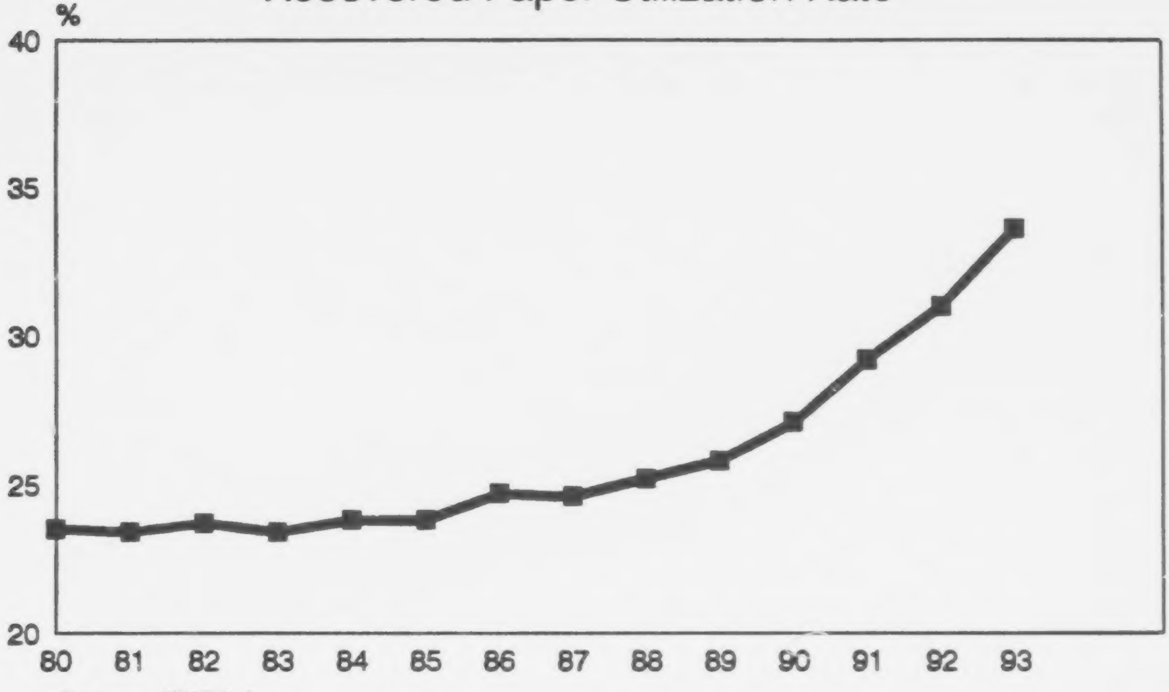
As was noted above, "mixed papers" were the only recovered paper category where exports managed to gain ground in 1993. However, last year's 6.4% advance in exports of mixed papers offset only about half of 1992's decline. Relative to 1988, U.S. exports of mixed papers were up 2.7% in 1993.

U.S. Paper & Paperboard Recovery Rate



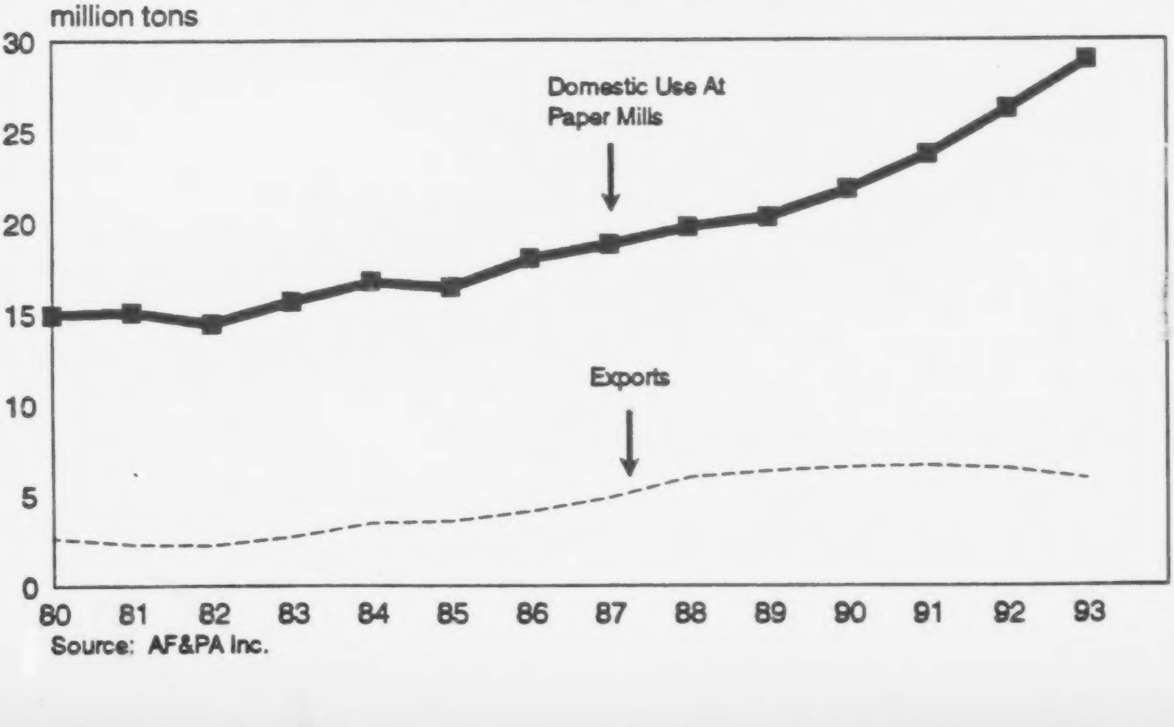
Source: AF&PA, Inc.

Recovered Paper Utilization Rate



Source: AF&PA, Inc.

Recovered Paper Growth Patterns: Domestic Mill Use Vs. Exports



Source: AF&PA Inc.

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INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 2
FEBRUARY, 1994

PRODUCTION (000 TONS)

	(P) JAN 1994	(R) DEC 1993	JAN 1993	ONE MONTH 1994	ONE MONTH 1993	% CHANGE YR TO DATE 1994/1993
PAPER GRADES						
Newsprint	618	577	615	618	615	0.5
Printing & Writing	1,956	1,924	2,006	1,956	2,006	-2.5
Uncoated Groundwood (s)	144	148	147	144	147	-1.9
Coated Groundwood (s)	346	345	361	346	361	-4.4
Coated Free Sheet (s)	309	317	316	309	316	-2.3
Total Coated Paper (s)	654	662	677	654	677	-3.4
Uncoated Free Sheet Paper (s)	1,023	977	1,052	1,023	1,052	-2.8
Thin Paper (s)	13	14	14	13	14	-9.4
Cotton Fiber Paper (s)	13	14	14	13	14	-7.2
Bleached Bristols (s)	109	111	102	109	102	7.4
Tissue Paper	517	514	495	517	495	4.5
Total Pkg & Other Paper	387	371	387	387	387	-0.0
Unbl. Kraft Paper (s)	197	180	192	197	192	2.8
Bl. Kraft Paper (s)	34	32	35	34	35	-2.0
Specialty Pkg. Paper	50	50	53	50	53	-4.9
Special Industrial Paper (s)	105	110	107	105	107	-1.9
TOTAL PAPER	3,478	3,385	3,502	3,478	3,502	-0.7
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,897	1,854	1,843	1,897	1,843	2.9
Unbleached Kraft Linerboard *	1,749	1,731	1,700	1,749	1,700	2.9
Other Unbl. Kraft Paperboard	148	123	144	148	144	2.8
Semichemical Paperboard	503	515	495	503	495	1.7
Bleached Paperboard	384	415	382	384	382	0.5
Recycled Paperboard	980	873	921	980	921	6.4
TOTAL PAPERBOARD	3,764	3,657	3,642	3,764	3,642	3.4
TOTAL PAPER & PAPERBOARD	7,242	7,042	7,144	7,242	7,144	1.4

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	JAN 1994	DEC 1993	JAN 1993	ONE MONTH 1994	ONE MONTH 1993	%CHANGE YR TO DATE 1994/1993
Total	710	755	653	710	653	8.8%
Total Sulfate	693	725	642	693	642	7.9%
Bleached Sulfate	676	711	627	676	627	7.9%
Softwood	403	410	419	403	419	-3.8%
Hardwood	273	301	207	273	207	31.6%
Unbleached	17	14	15	17	15	8.5%
Sulfite Blch & Unblch	18	30	11	18	11	59.1%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,311	5,383	5,475	5,311	5,475	-3.0%
Recovered Paper	2,434	2,294	2,371	2,434	2,371	2.6%

* Includes all unbleached kraft paperboard exports

(s) - Shipments

R - Revised

P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA March 21, 1994	1992	1993	1993	1993 R	1994 P	Ann. Rt. ytd '94	% Chg 94/93
PAPER & PAPERBOARD – Tons (000)			NOV	DEC	JAN		
Total Production (AFPA)..........: excluding :	82,941	84,357	7,035	7,042	7,242	86,906	1.4
Total Seasonally Adjusted.........: construction :			7,095	7,114	7,016	84,192	1.4
Imports (including Products)......: and wet :....E	12,406	13,831	1,187	1,115	1,187	14,243	8.0
Exports (including Products)......: machine :....E	8,946	9,099	774	851	803	9,635	5.6
Apparent Consumption..............: grades :....E	86,401	88,938	7,506	7,378	7,400	88,799	1.9
Paper Production % Tonnage Capacity	91.1	91.3	91.2	86.9	89.6	89.6	
Paperboard Production % Tonnage Capacity	94.4	94.0	95.2	93.5	97.0	97.0	
PAPER, PAPERBOARD & PRODUCTS			NOV	DEC	JAN		
Imports.....including Construction and :....E	12,543	13,971	1,200	1,126	1,199	14,383	8.0
Exports.....: WMB Grades (excl. HPB) :....E	8,971	9,126	776	853	805	9,661	5.7
Market Wood Pulp Shipments - Tons (000)	8,291	8,366	743	755	710	8,524	8.8
Wood Pulp Imports - Tons (000)....E	4,862	5,320	428	421	431	5,171	-12.5
Wood Pulp Exports - Tons (000)....E	6,421	5,851	496	530	476	5,708	-7.0
Raw Materials Consumption - Tons (000)							
Wood Pulp..........consumption for:	56,873	62,366	5,228	5,383	5,311	63,737	-3.0
Recovered Paper......construction & :	25,336	27,994	2,350	2,294	2,434	29,208	2.6
Total..........: WMB grades :	80,168	90,350	7,578	7,677	7,745	92,946	-1.3
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn.*	104,596	105,275	8,678	9,004	N/A	N/A	N/A
Employment (000)			NOV	DEC	JAN		
Paper and Allied Products..RS......Total	687.3	680.2	676.1	675.7	672.8	672.8	-1.2
Pulp, Paper and Board Mills..RS.....Total	236.8	233.5	230.2	229.9	230.2	230.2	-2.3
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	13.07	13.42	13.54	13.61	13.57	13.57	3.0
Pulp, Paper Mills......RS	16.19	16.72	16.96	17.02	16.94	16.94	4.4
Paperboard Mills......RS	16.24	16.77	17.04	17.15	16.93	16.93	3.1
New Plant & Equip. Expenditures, Paper & Allied Prod.			IQ '93	IIQ '93	IIIQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bil $)*	10.53	10.23	10.60	10.27	9.64	10.23 y	-2.8
Index of Output per Man-Hour (1982=100)			NOV	DEC	JAN		
In Pulp, Paper:...Production Workers	113.2	117.6	120.0	121.4	119.3	119.3	3.2
and Board Mills:...All Employees	112.9	117.4	119.9	121.5	119.2	119.2	3.8
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	10,814	10,735	10,612	127,344	-2.4
Pulp, Paper and Paperboard*	53,442	52,111	4,353	4,280	4,245	50,940	-3.3
Inventories (End of Period) - Total Industry*	13,387	13,487	13,520	13,487	13,337	13,337	-0.7
Pulp, Paper and Paperboard*	5,535	5,783	5,802	5,783	5,763	5,763	3.7
Paper & Allied Products Companies (Million $)			IQ '93	IIQ '93	IIIQ '93	1,993	
Sales (Corporations Only)	127,562	N.A.	31,865	33,187	33,181	130,977	2.7
Earnings (Corporations Only)	1,213	N.A.	886	814	(1,746)	(328)	N.M.
Depreciation (Corporations Only)	6,974	N.A.	1,800	1,868	1,841	7,345	5.3
Net Worth (Corporations Only)	47,520	N.A.	47,873	47,838	46,956	46,956	-3.3
Price Indexes (Bureau of Labor Statistics) 1982=100			NOV	DEC	JAN		
Pulp, Paper & Products, ex. Building Grades	129.4	127.6	126.9	126.9	126.8	126.8	-1.2
Wood Pulp	118.9	104.3	98.7	98.5	100.0	100.0	-10.5
Waste Paper	117.4	117.7	107.4	108.4	107.5	107.5	-13.5
Paper	123.2	123.8	123.7	123.4	122.7	122.7	0.0
Paperboard	134.3	130.0	130.5	130.5	130.3	130.3	-2.0
Paper Demand (Indexed: 1987=100)			NOV	DEC	JAN		
Total Paper Production *	110.8	112.4	111.2	113.2	110.3	110.3	-0.7
Paper New Supply *	102.5	106.1	106.0	104.3	104.8	104.8	0.5
Demand Indicators - (Weighted Average) *	101.0	105.6	106.3	106.5	106.7	106.7	1.9
Production of Nondurable Goods..RS.......*....(21.2%)	106.5	108.7	109.1	109.5	109.4	109.4	1.4
Disposable Income..........................*....(23.9%)	110.4	112.5	114.3	115.0	114.5	114.5	3.7
Total Printing and Publishing..RS..........*....(54.9%)	99.0	101.4	101.7	101.7	102.2	102.2	1.3
Paperboard Demand (Indexed: 1987=100)			NOV	DEC	JAN		
Total Paperboard Production *	111.9	114.1	117.8	116.4	116.1	116.1	3.4
Production for Domestic Use ......E	109.6	112.5	115.5	112.9	112.7	112.7	1.5
Demand Indicators - (Weighted Average) *	106.5	110.4	111.7	112.6	113.1	113.1	3.5
Production of Consumer Goods..RS.........*....(62.06%)	105.7	108.8	109.7	110.1	110.5	110.5	2.1
Production of Equipment..RS...............*....(5.75%)	111.2	118.7	121.8	123.3	124.1	124.1	7.1
Production of Materials..RS................*....(32.19%)	107.7	112.0	113.9	115.5	116.1	116.1	5.5
Market Data			NOV	DEC	JAN		
Newsprint Consumption (SAAR) - Tons (000)...R....E	12,620	12,756	12,886	13,161	13,437	13,437	3.0
Newspaper Pub. and Printing Empl. Total(000)	451	452	454	455	451	451	-0.1
Magazine Advertising Pages (PIB, Inc.)	170,303	168,589	17,765	14,903	10,413	124,951	2.8
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	51,016	53,814	4,707	4,614	4,499	4,499	7.1
Inventories (End of Period)	5,396	5,882	5,466	5,882	5,896	5,896	6.7
Fibre Box Data (Fibre Box Association)			NOV	DEC	JAN		
Fibre Box Shipments (Million square feet)	335,696	363,755	28,943	28,109	29,565	364,780	4.4
Container'bd Inventory at Mill & Plant (000 Tons)	2,918	2,501	2,391	2,501	2,432	2,432	-17.5
Retail Trade (Billion $)							
Total Retail Sales *	1,955	2,084	180	182	181	2,172	7.0
Nondurable Goods Stores Sales *	1,253	1,302	110	111	111	1,332	4.0
General Economic Data			NOV	DEC	JAN		
Total Industrial Production (Index 1987 = 100)*	106.5	111.0	112.8	114.0	114.6	114.6	4.9
Producer Prices (All Commodities, Index: 1982=100)	117.2	118.9	118.9	118.4	119.0	119.0	0.8
Consumer Prices (All Items-Urban Con.) (1982-4=100)	140.3	141.9	145.8	145.8	146.2	146.2	2.5
Gross Domestic Product - Annual Rate (Billion$) *			IIQ '93	IIIQ '93	IVQ '93		
G.D.P. or Expenditure - Current $	6,038.5	6,379.4	6,327.6	6,395.9	6,532.4	6,379.4	5.6
G.D.P. or Expenditure - 1987 $	4,986.3	5,137.7	5,102.1	5,138.3	5,232.1	5,137.7	3.0
Paper & Paperboard Consumption - Pounds per Capita	676	689				688	

N.M. = Not Meaningful R = Revised RS = Revised Series E = Jan est. by AFPA Y = Full year 1993 * = Seas. Adj. N.A. = Not Available SAAR = Seas. Adj. ann rate

A1630-5

Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 72 No. 3 March 1994

HIGHLIGHTS

- Paper and paperboard production ran at a seasonally-adjusted annual rate of 85.1 million tons in the first two months of 1994, representing a 1.8% advance relative to year-ago.

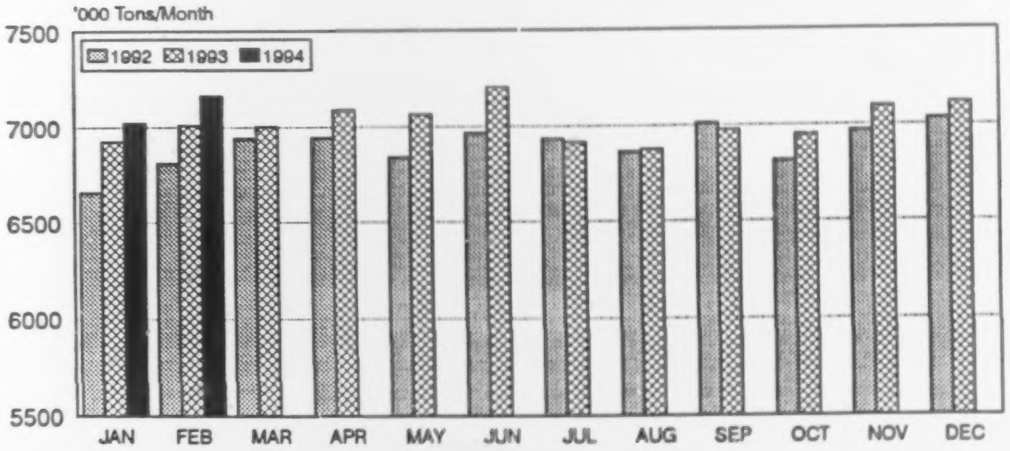
- Paperboard provided most of the impetus, with year-to-date production up 3.1%. Continued growth in box shipments and a strong rebound in containerboard production for export underlied the increase.

- Paper production was up a marginal 0.5% through February, reflecting flat performances by newsprint, printing-writing papers, and packaging and industrial converting grades. On the other hand, tissue paper production advanced 3.2% relative to early 1993.

- Sales of paper and allied products firms rose 2.9% in 1993 to $131 billion, according to a Commerce Department compilation. Since the Commerce Department classifies companies by industry according to their primary line of business, part of the gain may have been attributable to solid wood products. A summary of publicly-reported sales and earnings for 29 paper and allied products companies can be found on page 13 of this report.

- This month's special section (page 14) provides a ten-year recap of the statistical indicators that regularly appear in the Industry Data section of this report.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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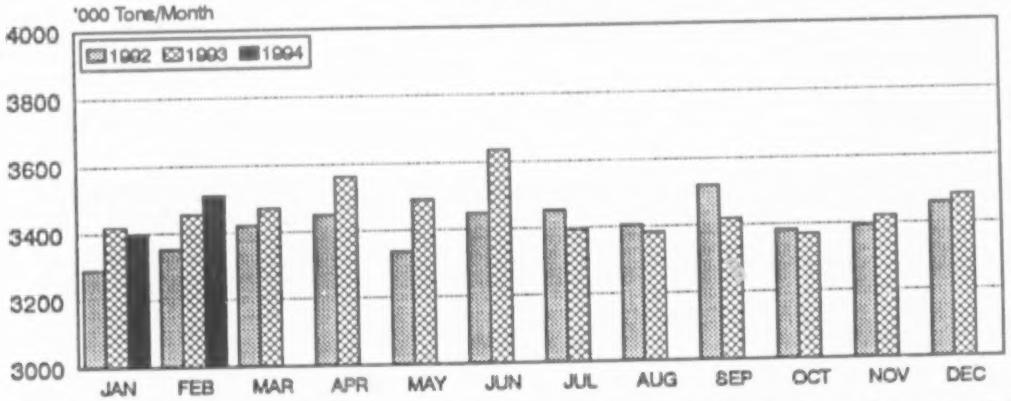
Paper: Paper production exceeded its year-ago volume by only 0.5% in the first two months of 1994 but all of the shortfall occurred in January when production trailed by 0.6%. Paper production strengthened in February and exceeded its year-ago level by 1.6%.

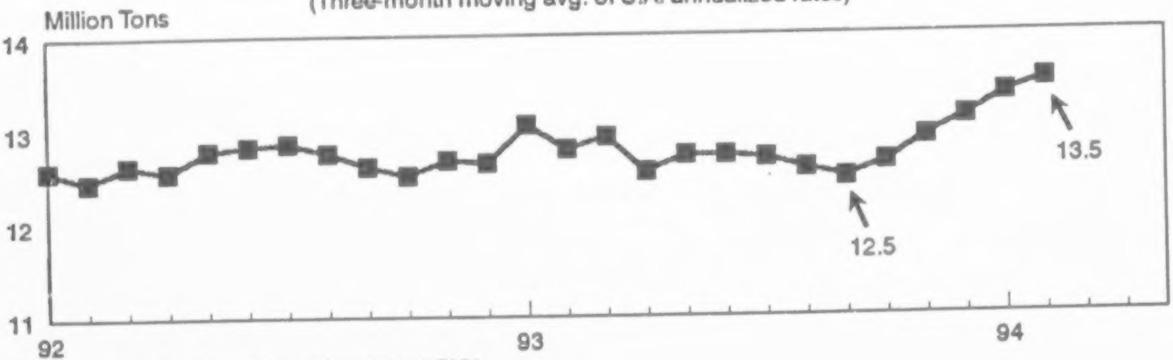
TOTAL PAPER PRODUCTION
seasonally adjusted



Shipments of newsprint from all sources to the U.S. lagged their year-ago level by 3.9% during the first two months of 1994. U.S. shipments to the domestic market were off 0.7%, while Canadian shipments to the U.S. trailed their year-ago performance by 7.6%. These setbacks appear to have reflected differential rates of inventory accumulation in the market channels of distribution. In particular, newsprint demand was bolstered by a 142,000 ton expansion in customer stocks during early 1993, as compared with only 34,000 tons of accumulation during the first two months of 1994.

Newsprint consumption by all users, as pictured by the following graph, was up an estimated 2.6% relative to year-ago during the first two months of 1994 and has been trending higher on a seasonally-adjusted basis since last fall.

U.S. Newsprint Consumption
(Three-month moving avg. of S.A. annualized rates)



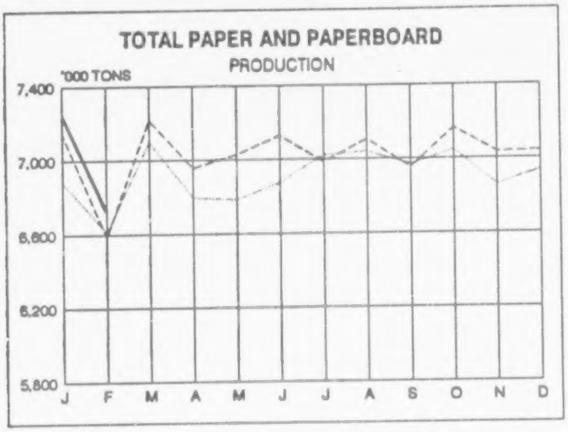
Source: Canandian Pulp and Paper Association/AF&PA

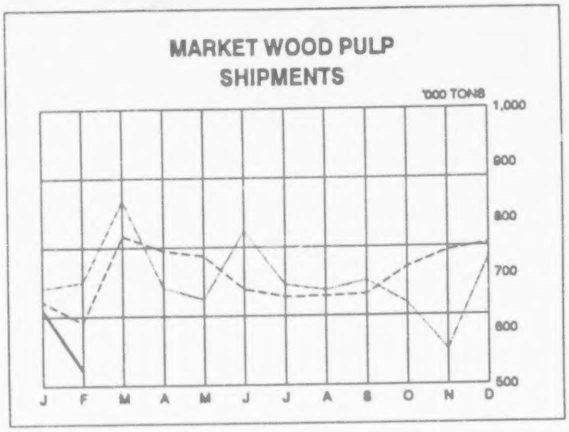
The U.S. exported 141,000 tons of newsprint during the first two months of 1994, up 9.1% from the year-ago period. Exports of newsprint by U.S. producers have been posting steady gains during recent years, climbing from 471,000 tons -- 7.1% of total U.S. shipments -- in 1990 to 847,000 tons -- 12.0% of shipments in 1993. Last year's increase in U.S. newsprint exports measured 847,000 tons (2.0%). However, the gain was more than offset by reduced shipments to the domestic market.

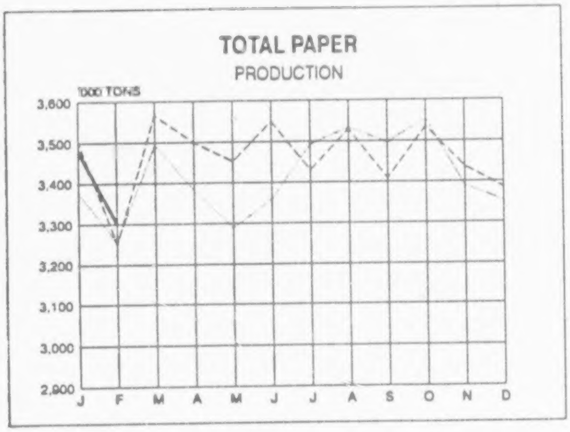
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		NOV	DEC	JAN (R)	FEB (P)	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1993	1993	1994	1994	1994	Last Year
PAPER								
Newsprint - Production	7,082	7,068	591	577	616	552	7,009	0.0
- Shipments	7,125	7,043	600	589	612	558	7,021	0.4
Printing & Writing: Total Shipments	23,394	23,891	1,962	1,949	1,959	1,912	23,224	0.0
Groundwood Paper - Shipments	1,609	1,751	147	157	144	144	1,728	3.6
- New Orders	1,655	1,835	123	158	158	150	1,850	4.4
- Unshipped Orders	164	143	201	219	212	224	224	56.5
Coated Groundwood - Shipments	4,364	4,301	347	356	347	339	4,117	-1.7
Coated Free Sheet - Shipments	3,755	3,892	319	315	309	322	3,785	3.9
Total Coated Papers - Shipments	8,119	8,193	666	671	656	661	7,902	0.9
- New Orders	8,151	8,293	613	753	655	626	7,685	-5.6
- Unshipped Orders	903	811	657	758	717	698	698	-14.0
Unctd Free Sheet - Shipments	12,170	12,345	1,010	989	1,024	984	12,046	-1.1
- New Orders	12,293	12,490	981	986	994	1,013	12,043	-4.8
- Unshipped Orders	720	800	863	885	738	767	767	-4.1
Thin Papers - Shipments	175	155	13	11	13	12	147	-13.3
Cotton Fiber Paper - Shipments	159	163	13	13	13	12	149	-5.1
Bleached Bristols - Shipments	1,163	1,285	112	107	109	99	1,252	3.0
Tissue Paper - Production	5,784	6,008	498	514	517	476	5,957	3.2
Total Packaging & Other Paper	4,713	4,602	386	371	391	362	4,521	-0.0
Unbl. Kraft Paper - Shipments	2,380	2,254	187	180	197	182	2,276	0.7
Bl. Kraft Paper - Shipments	403	400	34	32	34	32	394	0.8
Specialty Pkg. Paper - Production	687	644	53	50	51	48	593	-4.1
Special Industrial Paper - Production	1,244	1,304	112	110	109	100	1,258	0.4
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,569	3,437	3,409	3,483	3,302	40,711	0.5
TOTAL PAPER PRODUCTION - SEAS ADJ			3,420	3,508	3,398	3,510	41,444	0.5
PAPERBOARD - PRODUCTION								
Containerboard	29,357	29,597	2,492	2,548	2,616	2,375	29,947	3.0
Cont'bd For Dom Use for Fibre Boxes	25,746	26,185	2,177	2,218	2,261	2,065	25,954	-0.0
Total Linerboard	17,785	18,173	1,510	1,527	1,550	1,425	17,853	-1.9
Unbleached Kraft	16,850	16,732	1,402	1,411	1,422	1,305	16,361	-2.8
Solid Bleached	150	146	13	13	11	11	133	1.4
Recycled	784	1,296	95	103	117	109	1,358	10.6
Corrugating Medium	7,961	8,012	667	692	710	640	8,101	4.4
Semichemical	5,722	5,655	476	503	489	432	5,522	3.7
Recycled	2,239	2,356	191	189	222	208	2,579	6.0
Other Containerboard for Dom Use	345	309	24	23	27	22	296	-14.4
Containerboard for Export	3,267	3,103	291	307	328	288	3,697	33.0
Boxboard	12,611	13,214	1,107	1,109	1,149	1,054	13,216	3.4
Boxboard for Packaging for Dom Use	7,390	7,718	642	644	671	600	7,629	1.2
Folding Boxboard	5,651	5,906	487	485	501	452	5,717	-0.9
Solid Bleached	1,888	1,978	165	175	157	151	1,852	1.6
Unbleached Kraft	1,143	1,197	91	100	120	95	1,293	5.2
Recycled *	2,620	2,730	232	210	223	206	2,572	-5.3
Set-up Boxboard for Dom Use	283	303	28	20	30	28	349	33.8
Milk Carton & Food Service Dom Use	1,457	1,509	127	139	140	120	1,562	3.4
Other Boxboard for Domestic Use	4,158	4,404	376	362	401	367	4,603	9.3
Boxboard for Export	1,063	1,092	89	103	77	87	984	-5.0
Paperboard Production by Furnish	41,968	42,811	3,598	3,657	3,765	3,429	43,162	3.1
Unbleached Kraft	21,658	21,447	1,814	1,854	1,898	1,713	21,664	2.1
Semichemical	5,902	5,820	489	515	504	445	5,699	3.2
Solid Bleached Kraft	4,503	4,605	387	415	384	368	4,516	2.0
Recycled	9,906	10,938	909	873	978	903	11,284	5.4
Paperboard Production for Export	4,329	4,195	380	410	405	375	4,680	22.6
Unbleached Kraft	3,320	3,209	298	321	328	291	3,713	32.5
Semichemical	180	165	13	12	16	14	177	-9.2
Bleached Kraft	756	742	62	71	54	64	714	-3.1
Recycled	72	79	8	7	6	6	76	-6.2
TOTAL PAPERBOARD PRODUCTION - UNADJ	41,968	42,811	3,598	3,657	3,765	3,429	43,162	3.1
TOTAL PAPERBOARD PROD - SEAS ADJ			3,676	3,631	3,623	3,652	43,651	3.1
PAPER AND PAPERBOARD - UNADJ	82,941	84,380	7,035	7,066	7,247	6,732	83,873	1.8
PAPER AND PAPERBOARD - SEAS ADJ			7,095	7,139	7,021	7,161	85,095	1.8

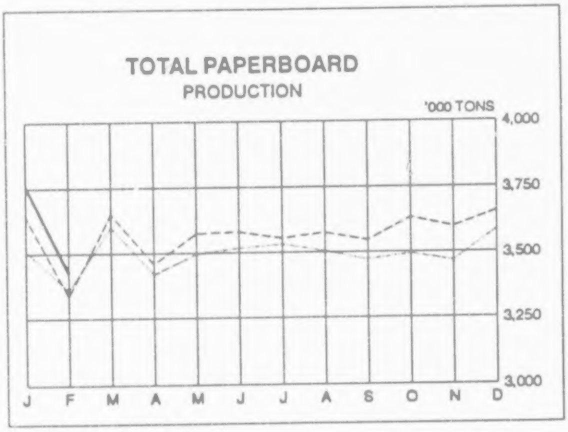
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

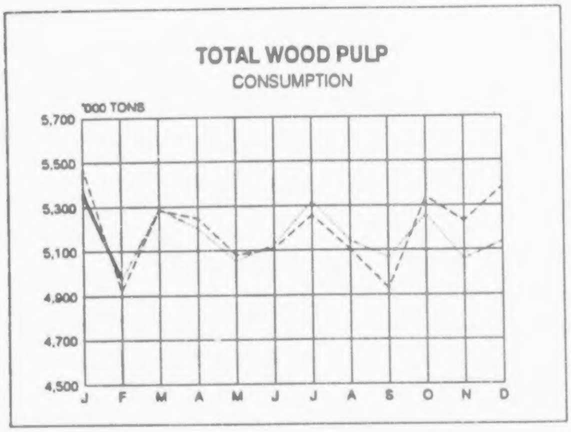
* Container Chip and Filler reclassified into Recycled Corrugating Medium

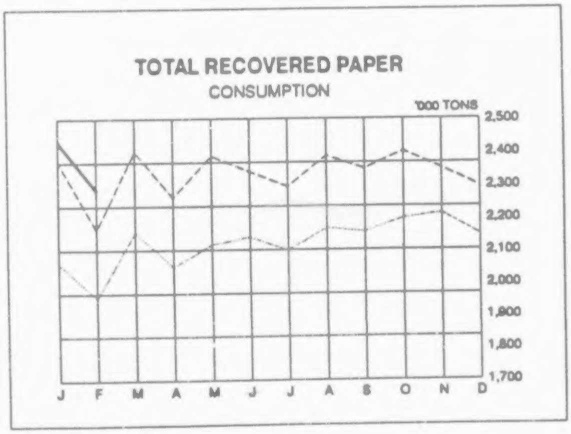

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

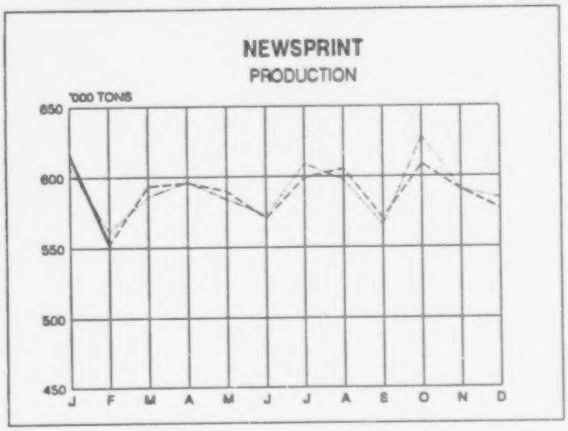
1992 .... 1993 ------ 1994 ——

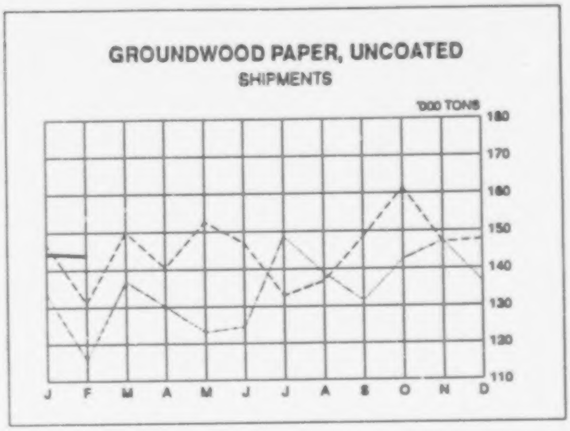
WOOD PULP STATISTICS (Thousands of Tons)		YEAR		NOV 1993	DEC 1993	(R) JAN 1994	(P) FEB 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
		1992	1993						
TOTAL WOOD PULP									
Total Wood Pulp (Paper Grades)	Production	63,960	62,908	5,214	5,527	5,456	4,968	62,540	-0.3%
	Imports	4,882	5,320	428	421	459	436	5,368	0.5%
	Exports	6,421	5,850	496	530	477	501	5,871	2.4%
	New Supply	62,421	62,377	5,146	5,418	5,437	4,902	62,037	-0.5%
Paper Grades Chemical Pulp	Production	53,358	52,738	4,393	4,696	4,590	4,197	52,723	0.7%
	Imports	4,570	4,889	395	390	419	402	4,923	1.4%
	Exports	6,321	5,747	491	525	469	495	5,785	3.7%
	New Supply	51,607	51,880	4,298	4,562	4,540	4,103	51,861	0.4%
Groundwood and Thermo-Mech.	Production	6,501	6,158	497	494	519	462	5,886	-7.3%
	Imports	312	431	33	31	40	34	445	-8.4%
	Exports	100	104	6	5	8	6	87	-44.0%
	New Supply	6,713	6,485	525	520	551	490	6,244	-6.5%
Semi-Chemical	Production	4,101	4,012	324	337	346	309	3,931	-2.0%
	Imports								
	Exports								
	New Supply	4,101	4,012	324	337	346	309	3,931	-2.0%
MARKET WOOD PULP									
Paper Grades Chemical Pulp	Production	8,670	8,117	613	715	721	605	7,955	-0.2%
	Imports	2,946	3,132	266	281	286	474	4,554	52.9%
	Exports	5,906	5,571	496	540	457	399	5,137	5.5%
	New Supply	5,709	5,678	383	456	549	680	7,373	21.3%

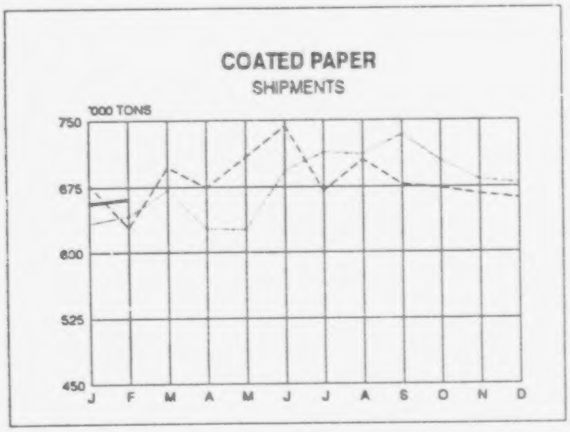
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

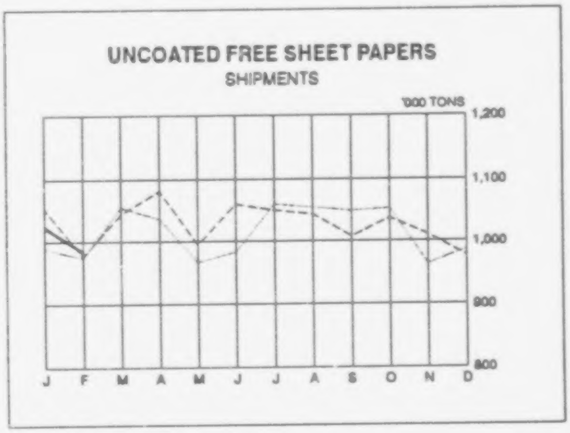
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		NOV 1993	DEC 1993	(R) JAN 1994	(P) FEB 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
	1992	1993						
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,350	7,578	7,677	7,789	7,263	90,308	0.8%
Total Wood Pulp	62,011	62,356	5,228	5,383	5,355	4,979	62,001	-0.6%
Recovered Paper	25,440	27,994	2,350	2,294	2,434	2,284	28,307	4.0%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	245	194	181	195	196	227	227	17.4%
Producers' Market Inventories	571	945	654	614	664	646	646	-31.6%
Consumers' Purchased Inventories *	410	406	380	382	368	378	378	-6.7%
Recovered Paper at Paper & Bd. Mills	1,069	1,043	1,057	1,108	984	948	948	-9.1%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	41	N/A	26	28	28	28	-31.7%

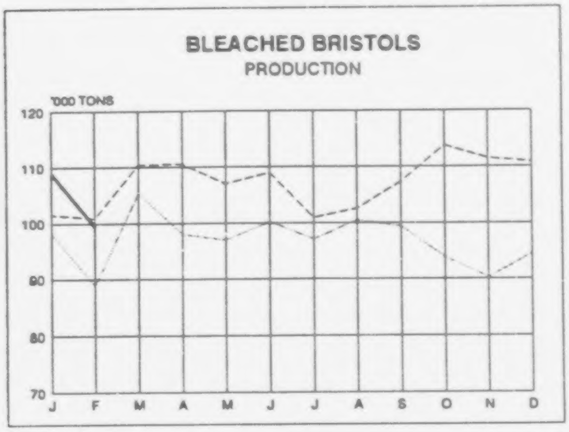
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA.
Recovered Paper Data: Paper Recycling Committee, AFPA. * includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

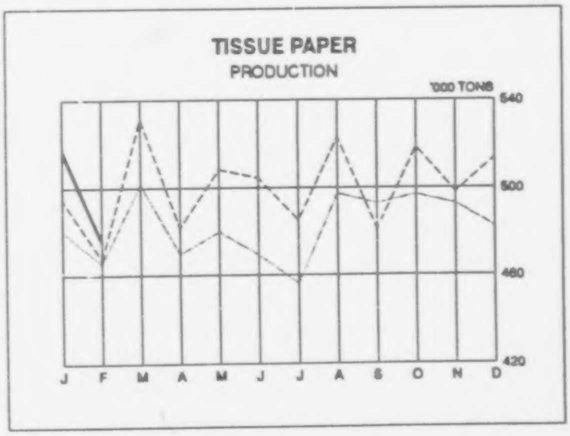

NEWSPRINT
PRODUCTION


GROUNDWOOD PAPER, UNCOATED
SHIPMENTS


COATED PAPER
SHIPMENTS


UNCOATED FREE SHEET PAPERS
SHIPMENTS


BLEACHED BRISTOLS
PRODUCTION


TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR 1992	YEAR 1993	Oct 1993	Nov 1993	Dec 1993	Jan 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,082	8,999	8,741	9,032	8,958	107,496	2.2
- Total Consumpt	104,598	105,275	8,646	8,678	9,004	9,166	109,992	1.0
- Residues *	39,784	43,134	3,649	3,512	3,648	3,600	43,200	4.7
- Inventories	5,314	5,989	5,951	5,833	5,989	5,714	5,714	15.5
So. Atlantic - Total Receipts	33,704	34,958	2,952	2,899	2,893	2,909	34,908	-1.2
- Total Consumpt	34,015	34,693	2,839	2,919	2,898	3,010	36,120	1.0
- Residues *	13,173	14,916	1,277	1,255	1,249	1,263	15,156	2.7
- Inventories	1,199	1,503	1,514	1,486	1,503	1,396	1,396	18.5
Northeast - Total Receipts	7,511	7,791	639	614	664	644	7,728	-10.1
- Total Consumpt	7,341	7,751	610	631	658	667	8,004	-2.5
- Residues *	1,800	1,782	131	140	150	145	1,740	0.7
- Inventories	347	330	354	326	330	314	314	-18.0
South Central - Total Receipts	42,665	44,542	3,794	3,794	3,872	3,757	45,084	8.8
- Total Consumpt	42,956	44,039	3,640	3,602	3,875	3,829	45,948	4.0
- Residues *	15,544	17,596	1,486	1,425	1,485	1,437	17,244	2.9
- Inventories	1,736	2,128	2,001	2,038	2,128	1,986	1,986	32.5
North Central - Total Receipts	7,310	7,419	627	564	706	703	8,436	-2.6
- Total Consumpt	7,339	7,508	637	630	654	651	7,812	-3.8
- Residues *	1,139	1,118	94	87	145	86	1,032	1.2
- Inventories	813	721	729	654	721	776	776	-1.5
West - Total Receipts	12,701	11,372	987	870	897	945	11,340	1.1
- Total Consumpt	12,947	11,284	920	896	919	1,009	12,108	-4.4
- Residues *	8,128	7,722	661	605	619	669	8,028	14.6
- Inventories	1,219	1,307	1,353	1,329	1,307	1,242	1,242	12.9

* - Consumption of Residues in Cord Equivalents.

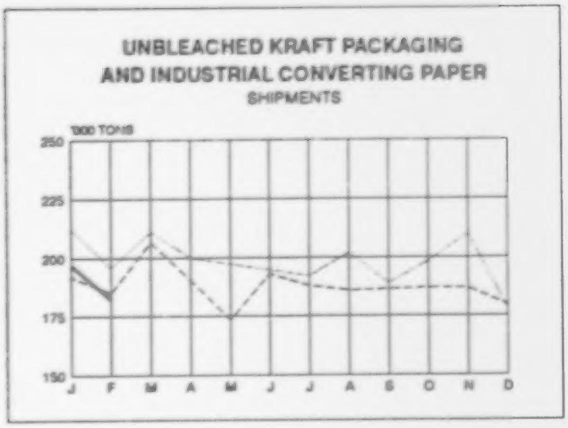
SOURCE: American Pulpwood Association

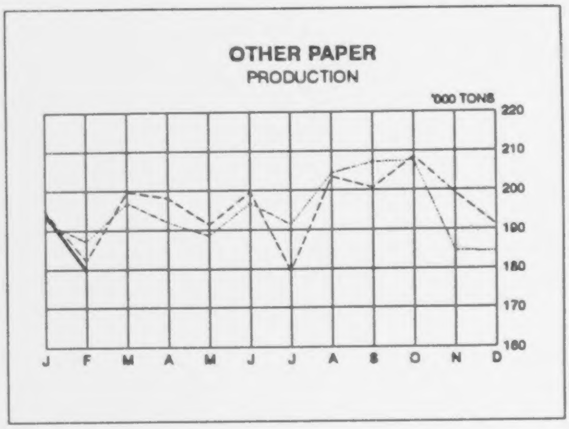
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						Annual Rate Y-T-D 1994	% Change From same Period Last Year
	YEAR 1993		December 1993		January 1994			
	Tons	($000's)	Tons	($000)	Tons	($000)	Tons	
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M.
Pulpwood chips	360,080	16,098	30,519	1,403	11,120	572	133,441	-71.6
Wood Pulp, Total	4,662,246	1,608,657	354,221	113,562	404,191	130,862	4,850,297	-2.6
Waste Fibrous Materials, Total	127,838	19,399	12,016	1,391	13,951	1,554	167,407	25.5
Paper, Board & Products, Total	11,548,456	5,681,810	919,654	461,536	953,003	476,937	11,436,037	-2.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	897,218	417,455	927,472	427,441	11,129,666	-3.4
Paper, Paperboard & Products	11,427,296	5,653,489	912,068	459,555	943,524	474,434	11,322,286	-2.8
Paper & Paperboard, Only	11,170,712	5,129,264	889,632	415,474	917,993	424,939	11,015,915	-3.5
Paper, Total	10,249,618	5,221,372	806,371	386,610	825,650	392,029	9,907,805	-6.1
Newsprint	7,630,129	3,546,762	605,216	260,047	611,429	257,175	7,337,152	-6.8
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	176,022	106,675	188,104	112,118	2,257,253	5.0
Pack. & Ind. Conv. Paper	204,576	125,317	15,183	8,818	16,610	10,254	199,315	-16.2
Special Industrial Paper	80,409	101,041	3,961	6,627	4,704	8,786	56,442	-9.7
Tissue Paper	73,952	56,474	5,990	4,444	4,804	3,696	57,643	5.0
Paperboard, Total	921,094	343,269	83,261	28,864	92,343	32,909	1,108,110	27.3
Convtd Paper&Paperbd Products	256,584	556,374	22,436	44,081	25,531	49,495	306,371	34.6
Wet Machine Board	800	749	65	63	105	91	1,256	-33.3
Construction Paper & Board	120,361	30,217	7,521	1,917	9,375	2,412	112,495	6.4

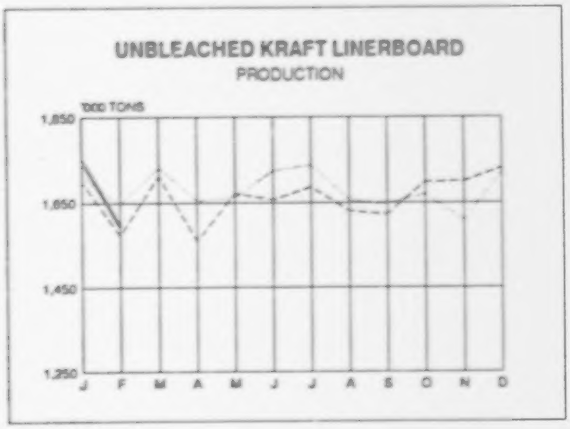
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	189,463	5,985	296,266	9,603	3,555,192	-17.1
Pulpwood chips	363,398	16,332	43,176	2,254	42,683	2,179	512,200	85.1
Wood Pulp, Total	313,005	133,450	22,411	8,853	24,611	9,706	295,334	-42.3
Cotton Pulp & Other Pulp	5,710	3,341	266	196	132	106	1,586	-86.7
Waste Paper	1,182,446	142,952	90,804	10,899	85,068	10,297	1,020,814	-6.5
Paper, Board & Products, Total	1,710,071	1,658,778	129,359	138,976	131,837	140,279	1,582,049	-0.3
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	91,586	77,318	94,128	79,824	1,129,531	-2.8
Paper, Paperboard & Products	1,704,072	1,656,494	129,290	138,931	131,610	140,186	1,579,325	-0.3
Paper & Paperboard, Only	1,225,877	928,862	91,516	77,273	93,901	79,731	1,126,807	-2.7
Paper, Total	671,502	687,704	50,093	54,608	57,704	58,757	692,450	3.0
Newsprint	14,376	6,997	464	297	502	255	6,019	-70.8
Printing, Writing & Rel. Pap.	480,105	470,309	35,847	37,575	44,249	42,083	530,986	10.8
Pack. & Ind. Conv. Paper	56,540	42,700	4,199	3,324	4,242	3,377	50,902	-11.9
Special Industrial Paper	85,450	133,523	6,233	10,034	5,821	10,073	69,848	-17.2
Tissue Paper	35,031	34,175	3,350	3,378	2,891	2,969	34,696	16.0
Paperboard, Total	554,375	299,348	41,423	22,665	36,196	20,975	434,357	-10.6
Convtd Paper&Paperbd Products	478,195	754,164	37,773	61,658	37,710	60,455	452,518	6.2
Wet Machine Board	0	0	0	0	0	0	0	N.M
Construction Paper & Board	5,999	2,402	69	45	227	93	2,724	-22.3

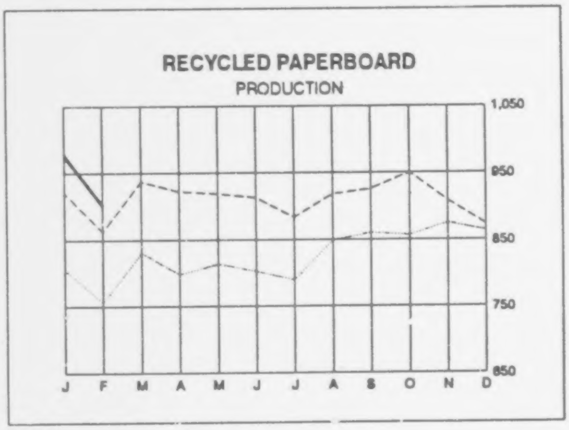
SOURCE: Bureau of Census, Department of Commerce.

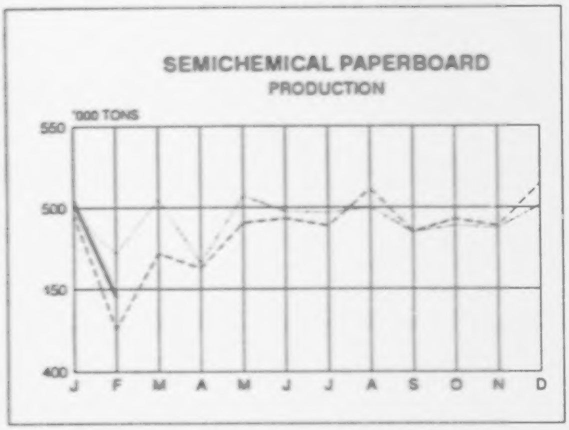
N.M. - Not Meaningful

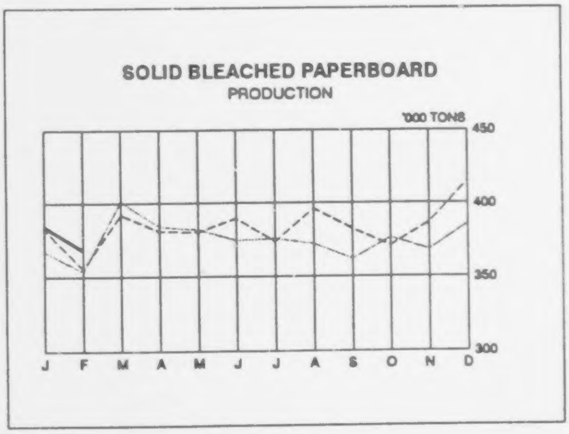

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1992 .... 1993 ------ 1994 ▬▬

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		December 1993		January 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	80,721	4,279	17,088	1,267	205,055	-56.8
Total All Imports	19,529,543	10,413,422	1,570,487	793,120	1,617,806	807,412	19,413,674	-0.2
Wood Pulp Total	5,412,797	1,860,163	431,440	135,321	467,395	151,573	5,608,742	-6.2
Waste Paper	137,835	22,285	12,516	1,502	14,440	1,716	173,281	21.1
Other Fibrous Materials	8,143	4,425	978	771	843	307	10,118	-12.3
Paper Board & Products Total	13,970,768	8,526,549	1,125,554	655,526	1,135,128	653,817	13,621,532	2.3
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,077,913	545,411	1,086,695	542,631	13,040,339	1.0
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,115,391	651,417	1,124,002	650,058	13,488,025	2.2
Paper & Paperboard Only	13,330,595	7,195,151	1,067,751	541,302	1,075,569	538,873	12,906,832	1.0
Paper Total	12,250,220	6,753,643	971,298	506,746	972,657	501,013	11,671,882	-1.4
Newsprint	7,783,906	3,593,326	616,650	263,573	621,548	259,355	7,458,581	-8.2
Printing & Writing	3,984,250	2,570,081	317,601	199,035	311,994	193,083	3,743,926	16.2
Uncoated Groundwood	1,733,551	1,001,611	129,543	72,022	126,698	68,458	1,520,380	7.2
Coated Print.& Impreg. Pap.	1,136,928	823,565	91,036	65,948	92,599	65,721	1,111,183	31.2
Uncoated Free Sheet	991,249	618,187	87,077	51,342	84,641	50,428	1,015,586	17.4
Thin (except Cigarette)	6,759	10,183	260	381	271	619	3,251	-69.6
Bristols	115,764	116,534	9,686	9,342	7,786	7,857	93,426	14.6
Total Pkg & Other Paper	399,411	527,120	29,721	38,678	33,408	44,069	400,895	-5.0
Unbleached Kraft Paper	177,342	93,702	14,209	7,060	15,536	7,897	186,428	-9.9
Other Pkg. & Indust. Paper	222,070	433,418	15,512	31,618	17,872	36,172	214,466	-0.3
Tissue	82,653	63,116	7,327	5,460	5,707	4,506	68,480	17.3
Paperboard, Total	1,080,375	441,508	96,453	34,556	102,913	37,860	1,234,950	29.5
Kraft Paperboard	217,945	81,638	19,720	7,230	19,472	7,559	233,658	20.5
Semi-Chemical Corrugating	267,438	65,898	24,978	6,288	34,776	8,886	417,312	50.7
Other Paperboard	594,992	293,972	51,755	21,037	48,665	21,414	583,980	21.0
Convtd Paper&Paperbd Products	499,972	1,283,698	47,640	110,115	48,433	111,185	581,194	42.8
Paper Products, Total	355,638	1,007,231	31,754	86,370	32,468	84,466	389,618	36.2
Paperboard Products, Total	144,334	276,467	15,886	23,745	15,965	26,719	191,575	58.6
Wet machine Board	924	842	65	63	105	91	1,256	-44.5
Construction Paper & Board E	139,278	46,857	10,098	4,046	11,021	3,668	132,251	6.2
Notes								
Other: No Weight Avail. ($000)		170,733		13,733		9,658	115,900	-6.1
Total Imports Incl. Other($000)		10,584,154		806,853		817,070	9,804,845	-0.2

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		December 1993		January 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	192,947	6,314	304,093	9,703	3,649,116	-15.9
Pulpwood Chips	5,248,132	423,288	454,196	34,870	359,919	31,661	4,319,023	-12.5
Total All Exports	21,637,893	9,527,479	1,947,647	793,782	1,870,249	785,019	22,442,993	-1.2
Wood Pulp,Total	6,499,065	2,369,414	575,847	188,560	536,279	190,159	6,435,347	-8.5
Cotton Pulp and Other Pulp	124,656	83,505	7,362	5,435	7,480	6,147	89,762	-59.6
Waste and Old Paper	5,888,369	533,240	511,725	42,163	512,977	41,934	6,155,729	-2.5
Paper, Board & Products,Total	9,125,803	6,541,320	852,712	557,625	813,513	546,778	9,762,155	6.8
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	684,964	367,020	679,591	352,471	8,155,093	6.8
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	850,848	556,583	812,268	546,058	9,747,221	6.8
Paper & Paperboard, Only	7,494,893	4,224,234	683,101	365,978	678,347	351,750	8,140,159	6.9
Paper, Total	2,586,993	2,066,927	228,225	175,119	218,966	168,989	2,627,588	-0.5
Newsprint	1,019,146	496,060	102,416	49,460	80,497	37,585	965,959	22.6
Printing & Writing	1,120,439	980,400	90,451	80,512	101,216	83,437	1,214,590	-13.3
Uncoated Groundwood	109,386	75,504	7,161	4,675	8,365	5,705	100,380	-14.3
Clay Coated Paper	342,036	282,860	28,062	22,940	28,713	22,623	344,560	-25.4
Uncoated Free Sheet	425,310	435,213	35,420	36,738	43,600	40,747	523,200	-7.7
Other Printing & Writing	243,707	186,823	19,808	16,160	20,538	14,362	246,450	-3.1
Total Pkg. & Other Paper	379,092	501,465	29,169	36,248	31,604	40,346	379,244	-0.9
Unbleached Kraft	130,748	66,917	10,814	5,513	10,311	4,983	123,727	-8.0
Other Pkg. & Indust. Paper	248,345	434,548	18,355	30,735	21,293	35,363	255,517	1.7
Tissue	68,315	89,002	6,189	8,899	5,650	7,620	67,795	-3.0
Paperboard, Total	4,907,901	2,157,307	454,876	190,859	459,381	182,761	5,512,571	10.8
Solid Wood Pulp	4,645,501	2,000,622	439,094	180,290	440,002	172,074	5,280,024	12.1
Total Linerboard	2,995,058	931,801	292,734	86,329	296,981	86,121	3,563,774	13.7
Bleached Kraft Linerboard	14,552	10,840	437	293	669	458	8,027	2.5
Unbleached Kraft Linerbd	2,980,506	920,961	292,297	86,036	296,312	85,663	3,555,748	13.7
Other Unbleached Kraft	505,984	255,357	35,112	18,257	38,455	18,682	461,456	3.1
Other Bleached Kraft	1,025,864	776,502	97,004	71,799	88,592	62,946	1,063,108	4.7
Semi-Chemical Corrugating	118,595	36,964	14,244	3,905	15,974	4,326	191,686	70.8
Recycled Paperboard	262,399	156,685	15,782	10,569	19,379	10,687	232,547	-13.0
Convtd Paper&Paperbd Products	1,604,427	2,304,242	167,748	190,605	133,922	194,307	1,607,062	6.6
Paper Products, Total	750,263	1,469,052	100,865	121,432	58,344	121,502	700,124	11.0
Paperboard Products, Total	854,164	835,190	66,882	69,173	75,578	72,805	906,937	3.5
Wet Machine Board	596	400	21	15	23	16	274	4460.0
Construction Paper & Board E	25,886	12,445	1,843	1,028	1,222	705	14,660	-12.8
Notes								
Other: No Weight Avail. ($000)		86,234		6,402		5,397	64,766	-1.3
Total Exports Incl. Other($000)		9,613,713		800,184		790,416	9,484,991	-1.2

SOURCE: Bureau of Census U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1992	YEAR 1993	NOV 1993	DEC 1993	JAN 1994	FEB 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.2	127.6	126.9	126.9	126.8	126.9	126.9	-1.0
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.2	127.2	127.1	127.1	127.1	-0.8
Total Wood Pulp	118.9	104.3	98.7	98.5	100.0	101.7	100.9	-8.3
Total Paper	123.2	123.8	123.7	123.4	122.7	122.4	122.6	-0.2
Writing Paper, exc. Newsprint	120.2	120.5	120.5	120.2	119.2	118.7	119.0	-0.1
Newsprint	109.9	112.0	110.7	110.7	109.7	109.3	109.5	-1.2
Total Paperboard	134.3	130.1	130.5	130.5	130.3	130.3	130.3	-1.5
Total Paper and Paperboard *	126.7	125.7	125.8	125.6	125.1	124.9	125.0	-0.6
Converted Products	134.8	133.7	133.1	133.3	133.4	133.4	133.4	-0.5
Waste Paper	117.4	111.7	107.4	108.4	107.5	114.4	111.0	-11.0
All Commodities	117.2	118.9	118.9	118.4	119.0	119.2	119.1	0.8
Industrial Commodities	117.4	119.0	118.8	117.9	118.5	118.7	118.6	0.1

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

PAPER AND ALLIED PRODUCTS INDUSTRY
SALES, EARNINGS AND BALANCE SHEET DATA
1985 - 1993
(Millions of Dollars)

	Net Sales	Net Profit Before Taxes	Ratio: NPBT/ Net Sales	Taxes	Net Profit After Taxes	Ratio: NPAT/ Net Sales	Stock-holders Equity	Return on Equity (%)	Long-term Debt	Total Assets
1985	71,465	4,399	6.2	1,519	2,880	4.0	29,694	9.7	15,262	62,605
1986 C	74,896	5,318	7.1	2,025	3,293	4.4	31,254	10.5	18,920	69,132
1986 R	74,844	5,298	7.1	2,018	3,280	4.4	31,221	10.5	18,906	69,082
1987 C	86,603	8,077	9.3	3,088	4,989	5.8	35,162	14.2	20,152	76,791
1987 R	95,576	8,860	9.3	3,338	5,520	5.8	39,217	14.1	22,417	85,279
1988 C	107,014	12,204	11.4	4,127	8,077	7.5	42,933	18.8	27,067	95,295
1988 R	107,221	12,210	11.4	4,129	8,081	7.5	42,940	18.8	27,180	95,444
1989 C	112,238	10,771	9.6	3,771	7,000	6.2	45,888	15.3	33,193	107,572
1989 R	113,573	11,365	10.0	3,819	7,047	6.2	45,642	15.4	34,543	109,038
1990 C	114,686	7,187	6.3	2,343	4,844	4.2	46,462	10.4	39,961	116,812
1990 R	115,523	7,236	6.3	2,353	4,882	4.2	45,951	10.6	40,720	117,335
1991 C	111,862	3,475	3.1	1,154	2,322	2.1	46,006	5.0	43,867	120,492
1991 R	122,969	3,573	2.9	1,409	2,164	1.8	48,642	4.4	47,436	130,748
1992 C	127,356	1,994	1.5	763	1,231	1.1	48,080	3.0	50,383	138,036
1992 R	127,562	1,929	1.5	732	1,196	1.8	47,604	4.4	50,709	138,246
1993										
I Q	127,460	4,256	3.3	1,356	2,904	2.3	47,504	6.1	52,496	141,317
II Q	132,760	4,712	3.5	1,448	3,260	2.5	47,897	6.8	51,872	141,113
III Q	132,592	(4,856)	N.M.	2,128	(6,984)	N.M.	45,967	-15.2	51,925	139,977
IV Q	132,116	756	0.6	744	16	0.0	44,689	0.0	52,673	141,052
Year to Date Total	131,232	1,371	1.0	1,644	(273)	N.M.	44,689	-0.6	52,673	141,052
CHANGE FROM YEAR AGO	2.9%	-28.9%	-30.9%	124.6%	N.M.	N.M.	-6.1%	N.M.	3.9%	2.0%

NOTE: Quarterly data are at annual rates. C = Consistent with the previous year's final total. R = Revised to reflect changes in the number of companies classified to this industry. N.M. - Not Meaningful.

SOURCE: Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Bureau of the Census, U.S. Department of Commerce.

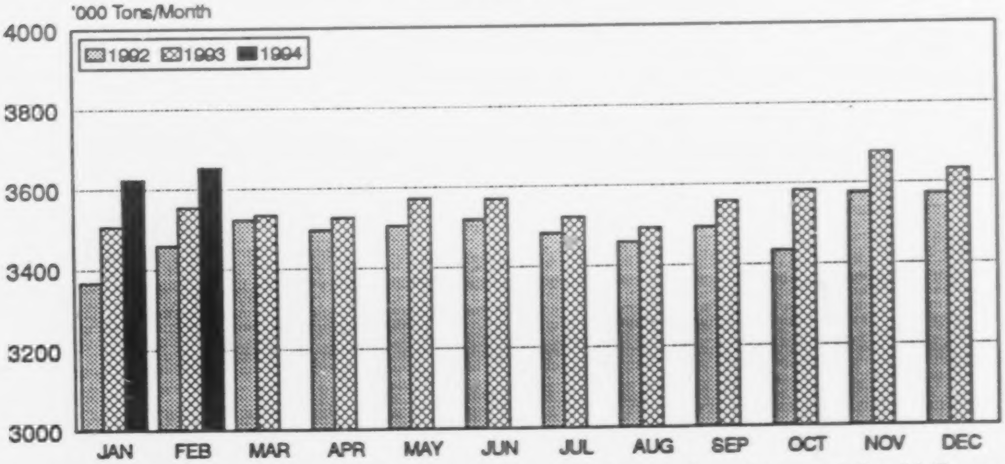
Printing-writing paper shipments were level with their year-ago performance during the first two months of 1994, although there was considerable variation within the grade structure. While shipments of uncoated groundwood and coated freesheet posted handsome gains of more than 3.5% relative to year-ago through February, the larger tonnage segments of coated groundwood and uncoated freesheet declined 1.7% and 1.1%, respectively.

Total new supply of the major printing-writing paper grades (domestic shipments plus imports less exports) is showing better than 2% growth from the same period last year, with much of the expansion deriving from increased imports and reduced exports. With the exception of uncoated groundwood, imports of the major printing-writing paper grades exceed their year-ago levels in January.

Kraft paper shipments edged slightly above their year-ago level during the first two months of 1994, with volume gains of 0.7% and 0.8%, respectively, in the unbleached and bleached grade segments. The increase in unbleached kraft paper shipments was attributable to strong gains in grocer's bag and sack and multiwall sack papers concurrent with largely offsetting declines in the other bag and sack and converting categories.

Paperboard: Seasonally-adjusted paperboard production edged upwards in February but remained below its November 1993 peak. Compared with its year-ago volume, total paperboard production was up 3.1% through the first two months of 1994.

TOTAL PAPERBOARD PRODUCTION
seasonally adjusted



Containerboard production benefited from an increase in foreign demand for U.S. exports during the first two months of 1994. In particular, containerboard production for export exceeded its year-earlier volume by 33% through February. Measured on an annualized basis, the January-February rate of containerboard production for export was 19% higher than 1993's full-year level.

Domestic end use markets for containerboard also began the year on a strong note, with box shipments up 4.3% relative to year-ago. This strength was reflected in corrugating medium production for domestic use, which posted a 4.7% increase, but was not evident in linerboard production, which trailed its year-ago level, despite considerable strength in the recycled segment.

Containerboard inventories at box plants and mills were at 4.9 weeks of supply at the end of February 1994, down from 6.0 weeks of supply a year earlier. Tonnage volumes have declined some 13% over the past twelve months.

Overall production of boxboard was up 3.4% during the first two months of 1994, with much of the impetus coming from "other boxboard," most notably the gypsum wallboard and panelboard categories which have benefited from the firming in construction activity. Housing starts rose 7% in 1993 and soared 18% in last year's fourth quarter. The sudden drop-off during January is being attributed the inclement weather. The impact of rising mortgage rates remains to be seen.

February's level of folding boxboard production for domestic use was the lowest since December of 1992. Total folding boxboard production grew 4.5% from 1992 to 1993 but trailed its year-ago level by 0.9% in the first two months of this year. The lagging performance was concentrated in the recycled grades (-5.3%). Solid bleached and unbleached kraft folding boxboard production for domestic use exceeded their year-ago levels by 1.6% and 5.2%, respectively.

MARKET PULP

AF&PA Pulp Group has recently returned to a monthly format for reporting pulp production data; the change is reflected on page 5 of this report.

U.S. shipments of chemical paper grade market pulp exceeded their year-ago volume by 5.3% during the first two months of 1994, reflecting increases in both domestic and foreign demand. In particular, U.S. shipments of chemical paper grade market pulp to the domestic market, at 477,300 tons, were up 4.8% relative to their year-ago level through February, while exports expanded 5.6% to 856,487 tons. U.S. shipments of pulp to Japan rose a particularly strong 22% during relative to early 1993, while exports to Europe expanded 2.8%.

Total North American and Scandinavian shipments of chemical paper grade market pulp surpassed their year-ago level by 10% during the first two months of 1994. Shipments to the U.S. rose 6.0% to 920,400 tons. North American and Scandinavian shipments to Western Europe and Japan grew 3.9% and 3.6%, respectively, relative to the first two months of 1994.

INDUSTRY DATA 1983-1993

The table on page 15 presents a decade-long recap of the monthly statistics that routinely appear in the Industry Data section of this report. It reveals that paper and paperboard production rose at an average annual rate of 2.6% a year from 1983 to 1993, precisely matching the growth of new supply (production plus imports less exports). Production and new supply did not grow in tandem during the entire ten-year span, however. Responding to strong export gains, production of paper and paperboard rose 3.1% a year from 1985 to 1992, while new supply advanced at a 2.2% annual rate. In 1993, by contrast, production grew at only half the rate of new supply as export growth slackened and imports surged.

Employment in the paper and allied products industry rose from 654,000 in 1983 to 680,000 in 1993. All of the growth, however, took place in the converting sector. Employment in the primary sector declined slightly during the period -- from 249,000 to 233,000.

Output per man-hour in pulp, paper and paperboard mills grew at a 3.1% average annual rate over the past decade. Labor productivity increased at an even faster 3.7% average annual pace during the 1990-92 period.

Capital expenditures by the paper and allied products industry virtually tripled from $5.7 billion in 1983 to $16.5 billion in 1990 before moderating in the 1991-93 period. Even after that slowdown, capital spending was at an estimated $10.2 billion in 1993, representing average annual growth of 6% relative to 1983's level.

Sales of paper and allied product companies rose from $65 billion in 1983 to $131 billion in 1993, for an average annual increase of 7.3%. Sales increased by a below-trend 2.9% in 1993.

Other important data series shown in the summary table include producer price indexes for paper and paperboard products, magazine advertising pages, and general economic data such as GDP, industrial production, and retail sales.

SALES AND EARNINGS

Sales of paper and allied products companies increased 2.9% from 1992 to 1993, according to the Commerce Department's latest Quarterly Financial Report for Manufacturing Corporations. (See page 10 for details.) Fourth quarter sales were up 3.6% relative to their year-ago level, suggesting an improving trend.

Reported earnings, on the other hand, did not fare so well in 1993. Despite positive profit margins during the first half of the year, third quarter results were severely impacted by one company's extraordinary goodwill charge of $1.9 billion as well as other companies' nonrecurring and extraordinary items.

Sales of 29 paper and allied products companies that report their results publicly totaled $88.5 billion last year, which was an increase of only 0.6% compared with 1992. While fourth quarter sales picked up nearly 1% from third quarter levels, they did not achieve the second quarter level of $22.4 billion.

Paper and Allied Products Companies
Sales and Earnings
(29 Companies)

	Sales			Net Profit After Taxes *			Net Profit/Sales	
	1993 (Thousand Dollars)	1992	93/92 % Change	1993 (Thousand Dollars)	1992	93/92 % Change	1993 %	1992 %
First Quarter	21,650,872	21,317,776	1.6%	391,142	(906,167)	N.M.	1.8%	N.M.
Second Quarter	22,421,978	22,109,145	1.4%	293,476	421,589	-30.4%	1.3%	1.9%
Third Quarter	22,107,798	22,575,606	-2.1%	(1,992,119)**	268,628	N.M.	N.M.	1.2%
Fourth Quarter	22,310,844	21,986,376	1.5%	(178,108)	(239,648)	N.M.	N.M.	N.M.
Year to Date	88,491,492	87,988,903	0.6%	(1,485,609)	(455,598)	N.M.	N.M.	N.M.

R = Revised N.M. = Not Meanin* Includes effects of accounting changes and extraordinary items (when provided on a quarterly basis

** One company had an extraordinary goodwill charge of $1.9 billion in the third quarter.

INDUSTRY DATA	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1983-1993 % Per Year Growth	1992-1993 % Change
PAPER AND PAPERBOARD – Tons (000)													
Total Production (API).......: excluding :	64,949	68,449	66,983	70,905	74,359	76,585	76,785	78,774	79,499	82,941	84,380	2.7%	1.7%
Imports (Including Products).: wet :	8,509	10,576	11,105	11,597	12,528	12,788	12,910	13,007	12,074	12,406	13,831	5.0%	11.5%
Exports (Including Products).: machine :	4,502	4,310	4,003	4,593	5,197	5,559	6,263	6,787	8,311	8,946	9,099	7.3%	1.7%
Apparent Consumption.........: grades :	68,956	74,714	74,085	77,910	81,690	83,814	83,432	84,945	83,261	86,401	89,111	2.6%	3.1%
Paper Production % Tonnage Capacity	91.9	92.8	90.6	93.5	94.5	95.4	93.0	93.0	89.3	91.1	91.4		
Paperboard Production % Tonnage Capacity	90.7	94.5	89.7	93.6	95.7	94.8	94.0	93.7	93.8	94.3	94.0		
PAPER, PAPERBOARD AND PRODUCTS													
IMPORTS.....including Construction and :	8,986	11,075	11,522	11,936	12,837	13,110	13,100	13,147	12,167	12,543	13,971	4.5%	11.4%
EXPORTS.....: WMB Grades (excl. HPB) :	4,569	4,387	4,071	4,687	5,304	5,691	6,300	6,796	8,331	8,971	9,126	7.2%	1.7%
MARKET WOOD PULP PRODUCTION - Tons (000).....g	5,267	5,695	5,629	6,321	6,804	7,201	7,240	7,506	7,660	8,670	8,117	4.4%	-6.4%
TOTAL WOOD PULP PRODUCTION - Tons (000).....f	51,282	54,264	52,973	55,745	58,239	59,793	60,573	61,756	62,267	63,960	62,908	2.1%	-1.6%
WOOD PULP IMPORTS - Tons (000).....RS - 1989	4,093	4,490	4,466	4,582	4,850	5,038	5,004	4,893	4,997	4,882	5,413	2.8%	10.9%
WOOD PULP EXPORTS - Tons (000).....RS - 1989	3,644	3,954	3,795	4,458	4,889	5,528	5,766	5,905	6,338	6,421	6,500	6.0%	1.2%
RAW MATERIALS CONSUMPTION - Tons (000)													
PAPER AND BOARD MILLS...: excluding :													
Wood Pulp..............consumption for	51,422	54,994	53,682	57,222	58,675	60,395	60,252	61,015	61,450	62,011	62,356	1.9%	0.6%
Waste Paper..............construction & :	14,696	15,926	15,734	17,268	17,993	19,021	19,490	20,981	22,845	25,440	27,994	6.7%	10.0%
TOTAL..............: WMB grades :	66,118	70,920	69,416	74,490	76,668	79,416	79,742	81,996	84,295	87,450	90,349	3.2%	3.3%
PULPWOOD CONSUMPTION Cords(000)Am.Pulpwd.Am.	85,442	87,646	85,744	91,434	93,946	95,497	98,414	99,304	98,242	104,598	105,275	2.1%	0.6%
EMPLOYMENT (000)													
Paper and Allied Products..........Total	653.9	673.8	670.9	667.1	674.0	688.8	695.7	696.7	687.9	687	680.2	0.4%	-1.0%
Pulp, Paper and Board Mills.........Total.....A	249.0	250.2	245.8	241.9	240.2	243.8	245.4	246.3	244.6	238.8	233.5	-0.6%	-2.2%
AVG. HOURLY EARN'S OF PRODUCTION WORKERS ($)													
Paper and Allied Products	9.93	10.41	10.83	11.18	11.43	11.69	11.96	12.31	12.72	13.07	13.42	3.1%	2.7%
Pulp, Paper Mills.....A	11.81	12.55	13.26	13.75	14.11	14.38	14.73	15.19	15.66	16.19	16.71	3.5%	3.2%
Paperboard Mills	12.11	12.99	13.60	13.98	14.30	14.49	14.76	15.26	15.71	16.24	16.77	3.3%	3.3%
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS (Rept. by US Dept. of Com., Ann. Rates, Bil.$)	5.73	6.90	8.14	8.26	8.54	10.92	15.58	16.53	11.50	10.53	10.30 Y	6.0%	-2.2%
INDEX OF OUTPUT PER MAN-HOUR (1987 = 100)													
:IN PULP, PAPER :...Production Workers	86.3	87.4	89.8	96.7	100.0	101.2	101.8	103.8	105.5	113	117.6	3.1%	3.9%
:AND BOARD MILLS:...All Employees	86.6	87.6	89.1	96.9	100.0	101.8	102.5	103.2	105.2	113	117.4	3.1%	4.0%
PAPER AND ALLIED PRODUCTS (Million $)													
Industry Shipments (Dept. of Commerce).....RS	84,817	95,525	94,679	99,865	108,989	122,555	131,366	131,444	128,824	131,307	129,407	4.3%	-1.4%
Pulp, Paper and Paperboard.....RS	35,903	41,251	39,093	41,136	46,961	54,900	58,123	57,480	53,687	53,460	52,111	3.8%	-2.5%
Inventories (End of Period) - Total Industry.....RS	9,075	10,183	10,072	10,199	11,111	12,385	13,190	13,390	13,428	13,261	13,487	4.0%	1.7%
Pulp, Paper and Paperboard.....RS	3,408	3,808	3,819	3,771	3,998	4,442	4,915	5,225	5,475	5,511	5,783	5.4%	4.9%
PAPER AND ALLIED PRODUCTS COMPANIES (Million $)													
Sales (Corporations Only)	65,008	71,891	71,465	74,844	95,576	107,221	113,573	115,523	122,969	127,562	131,232	7.3%	2.9%
Earnings (Corporations Only)	2,327	3,015	2,880	3,280	5,520	8,081	7,047	4,882	2,164	1,196	(201)	N.M.	N.M.
Depreciation (Corporations Only)	2,607	2,798	3,099	3,389	4,279	4,625	5,010	5,578	6,504	6,974	7,345	10.9%	5.3%
Net Worth (Corporations Only)	27,219	28,160	29,694	31,221	39,217	42,940	45,642	45,951	48,642	47,604	44,689	5.1%	-6.1%
PRICE INDEXES (Bureau of Labor Stats)(1982 = 100)													
Pulp, Paper & Products, ex. Building Grades	99.3	107.3	106.9	107.6	114.3	124.8	132.4	132.9	129.8	129.2	127.6	2.5%	-1.2%
Wood Pulp	91.5	104.8	91.4	94.7	111.5	136.7	157.4	151.2	119.2	118.9	104.3	1.3%	-12.3%
Waste Paper	N.A.	198.2	122.9	142.6	181.4	183.6	157.1	138.9	121.3	117.4	117.7	-5.6% *	0.3%
Paper	98.5	105.8	106.0	107.0	111.5	123.2	129.6	128.8	127.0	123.2	123.8	2.3%	0.5%
Paperboard	98.4	110.4	107.7	106.6	118.1	133.2	140.1	135.7	130.2	134.3	130.1	2.8%	-3.1%
PAPER DEMAND (INDEX 1987 = 100)													
Total Paper Production	88.9	93.3	92.3	96.3	100.0	103.9	103.7	106.6	105.9	111.0	112.6	2.4%	1.5%
Paper New Supply	83.7	91.3	91.9	95.6	100.0	103.1	101.6	103.9	99.6	102.5	106.3	2.4%	3.7%
Demand Indicators - (Weighted Average)	82.8	88.0	90.4	93.6	100.0	101.9	102.7	103.1	100.7	103.4	105.6	2.5%	2.2%
Production of Nondurable Goods ...(21.2%)	87.0	90.8	91.5	94.9	100.0	102.4	103.7	104.4	103.5	106.6	108.7	2.3%	1.9%
Disposable Income ....(23.9%)	88.0	93.6	96.1	99.2	100.0	103.5	105.3	107.1	107.3	110.4	112.5	2.5%	1.9%
Total Printing and Publishing ...(54.9%)	78.9	84.4	87.6	90.6	100.0	101.0	101.1	100.9	96.8	99.1	101.4	2.5%	2.4%
PAPERBOARD DEMAND (INDEXED: 1987 = 100)													
Total Paperboard Production	85.9	90.8	87.9	94.4	100.0	102.1	102.9	105.3	107.9	112.1	114.3	2.9%	2.0%
Production for Domestic Use	85.1	91.3	88.8	94.2	100.0	102.5	103.0	104.6	105.3	109.5	109.5	2.6%	0.0%
Demand Indicators - (Weighted Average)	87.9	93.8	94.7	96.4	100.0	103.8	105.2	105.0	104.0	109.7	109.7	2.2%	0.0%
Production of Consumer Goods ...(62.06%)	88.8	92.9	93.7	96.8	100.0	102.8	104.0	103.5	102.8	105.9	108.8	2.1%	2.8%
Production of Equipment ...(5.75%)	76.8	89.2	94.8	94.5	100.0	107.7	111.0	112.1	109.0	111.3	118.7	4.5%	6.6%
Production of Materials ...(32.19%)	88.3	96.6	96.6	95.9	100.0	105.0	106.7	106.8	105.4	107.8	112.0	2.4%	3.9%
MARKET DATA													
Consumption by Publishers - Tons (000)	11,606	12,510	12,684	13,088	13,562	13,497	13,493	13,387	12,565	12,511	12,908	1.1%	3.2%
Newspaper Pub. and Printing Empl. Total(000)	426	440	450	460	469	473	471	474	459	451	452	0.6%	0.1%
Magazine Advertising Pages (PIB, Inc.)	141,772	153,803	155,087	152,643	164,908	166,718	181,995	173,242	162,918	164,393	169,073	1.8%	2.8%
Wholesalers Sales and Inventories (Million $)													
Total Paper & Pap. Prdts.,ex Wallpaper..Sales	27,755	32,591	33,664	35,809	40,818	46,561	50,032	50,725	50,696	51,016	53,814	6.8%	5.5%
Inventories (End of Period)	2,654	2,906	3,191	3,360	3,454	3,959	4,132	4,260	3,954	4,203	5,882	8.3%	39.9%
FIBRE BOX DATA (Fibre Box Association)													
Fibre Box Shipments (Million square feet)	252,539	267,547	267,453	283,921	297,828	308,509	313,400	318,102	320,000	335,696	353,755	3.4%	5.4%
Container'bd Inventory at Mill & Plant(000Tons)	2,437	2,882	2,549	2,238	2,486	2,553	2,589	2,765	2,670	2,918	2,501	0.3%	-14.3%
RETAIL TRADE (Billion $)													
Total Retail Sales .....RS - 1987	1,170	1,287	1,375	1,450	1,541	1,657	1,761	1,848	1,863	1,959	2,082	5.9%	6.3%
Nondurable Goods Stores Sales .....RS - 1987	779	832	877	909	965	1,028	1,103	1,177	1,209	1,252	1,297	5.2%	3.6%
GENERAL ECONOMIC DATA													
TOTAL INDUSTRIAL PRODUCTION (INDEX 1987 = 100)	84.9	92.8	94.4	95.3	100.0	104.5	106.1	106.1	104.1	106.6	111.0	2.7%	4.1%
PRODUCER PRICES (ALL COMMODITIES) (1982 = 100)	101.3	103.7	103.2	100.2	102.8	106.9	112.2	116.3	116.5	117.2	118.9	1.6%	1.5%
CONSUMER PRICES (ALL ITEMS) (INDEX 1982-4 = 100)	99.6	103.9	107.6	109.6	113.6	118.3	124.0	130.7	136.2	140.3	144.5	3.8%	3.0%
GROSS DOMESTIC PRODUCT - ANNUAL RATE (Billion $)													
G.D.P. or Expenditure - Current $	3,405	3,777	4,039	4,269	4,540	4,900	5,251	5,546	5,723	6,039	6,379	6.5%	5.6%
G.D.P. or Expenditure - 1987 $	3,907	4,149	4,280	4,405	4,540	4,719	4,838	4,897	4,861	4,986	5,136	2.8%	3.0%
PAPER AND PAPERBOARD CONSUMPTION - POUNDS PER CAPITA	589	632	621	647	673	684	675	680	659	676	690	1.6%	2.0%

f - Wood Pulp Production exc def., explo & scr., sp. alpha & dissolving   A - Estimated by AF&PA   Y - Full year estimated by Dept. of Commerce

RS - Revised Series   g - Excludes special alpha & dissolving grades   * - 9 year growth rate due to lack of 1982 data

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT

VOL. 72, NO. 3
MARCH, 1994

PAPER GRADES	(P) FEB 1994	(R) JAN 1994	FEB 1993	TWO MONTHS 1994	TWO MONTHS 1993	% CHANGE YR TO DATE 1994/1993
Newsprint	552	616	553	1,168	1,168	0.0
Printing & Writing	1,912	1,959	1,864	3,871	3,870	0.0
Uncoated Groundwood (s)	144	144	131	288	278	3.6
Coated Groundwood (s)	339	347	337	686	698	-1.7
Coated Free Sheet (s)	322	309	292	631	607	3.9
Total Coated Paper (s)	661	656	628	1,317	1,305	0.9
Uncoated Free Sheet Paper (s)	984	1,024	977	2,008	2,029	-1.1
Thin Paper (s)	12	13	14	25	28	-13.3
Cotton Fiber Paper (s)	12	13	13	25	26	-5.1
Bleached Bristols (s)	99	109	101	209	202	3.0
Tissue Paper	476	517	467	993	962	3.2
Total Pkg & Other Paper	362	391	367	754	754	-0.0
Unbl. Kraft Paper (s)	182	197	185	379	377	0.7
Bl. Kraft Paper (s)	32	34	30	66	65	0.8
Specialty Pkg. Paper	48	51	50	99	103	-4.1
Special Industrial Paper (s)	100	109	102	210	209	0.4
TOTAL PAPER	3,302	3,483	3,251	6,785	6,753	0.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,713	1,898	1,693	3,611	3,536	2.1
Unbleached Kraft Linerboard *	1,596	1,750	1,574	3,346	3,273	2.2
Other Unbl. Kraft Paperboard	117	148	119	265	262	0.9
Semichemical Paperboard	445	504	425	950	920	3.2
Bleached Paperboard	368	384	355	753	738	2.0
Recycled Paperboard	903	978	863	1,881	1,784	5.4
TOTAL PAPERBOARD	3,429	3,765	3,336	7,194	6,978	3.1
TOTAL PAPER & PAPERBOARD	6,732	7,247	6,587	13,979	13,731	1.8

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	FEB 1994	JAN 1994	FEB 1993	TWO MONTHS 1994	TWO MONTHS 1993	%CHANGE YR TO DATE 1994/1993
Total	623	710	614	1,333	1,266	5.3%
Total Sulfate	612	693	601	1,305	1,242	5.0%
Bleached Sulfate	596	676	585	1,272	1,211	5.0%
Softwood	344	403	377	748	796	-6.1%
Hardwood	252	273	208	524	415	26.3%
Unbleached	16	17	16	33	31	5.1%
Sulfite Blch & Unblch	11	18	13	28	24	17.9%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	4,979	5,355	4,921	10,333	10,397	-0.6%
Recovered Paper	2,284	2,434	2,163	4,718	4,534	4.0%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
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INDUSTRY DATA April 12, 1994	1992	1993	1993	1993 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD – Tons (000)			DEC	JAN	FEB		
Total Production (AFPA)...: excluding :	82,941	84,380	7,066	7,247	6,732	83,873	1.8
Total Seasonally Adjusted...: construction :			7,139	7,021	7,161	85,095	1.8
Imports (including Products)...: and wet :.....E	12,406	13,831	1,115	1,124	1,142	13,597	7.4
Exports (including Products)...: machine :.....E	8,946	9,099	851	812	812	9,748	9.6
Apparent Consumption...: grades :.....E	86,401	88,961	7,403	7,333	7,491	88,944	1.8
Paper Production % Tonnage Capacity	91.1	91.4	87.5	89.7	93.4	91.4	
Paperboard Production % Tonnage Capacity	94.4	94.0	93.5	97.0	96.7	96.9	
PAPER, PAPERBOARD & PRODUCTS			DEC	JAN	FEB		
Imports.....:including Construction and :.....E	12,543	13,971	1,126	1,135	1,153	13,731	7.4
Exports.....: WMB Grades (excl. HPB) :.....E	8,971	9,126	853	814	814	9,766	9.5
Market Wood Pulp Shipments - Tons (000)	8,291	8,386	756	710	623	8,000	5.3
Wood Pulp Imports - Tons (000).....E	4,882	5,320	421	459	436	5,368	0.5
Wood Pulp Exports - Tons (000).....E	6,421	5,851	530	477	501	5,871	2.4
Raw Materials Consumption - Tons (000)							
Wood Pulp...:consumption for:	62,011	62,356	5,383	5,355	4,979	62,001	-0.6
Recovered Paper...:constuction & :	25,440	27,994	2,294	2,434	2,284	28,307	4.0
Total...: WMB grades :	87,451	90,350	7,677	7,789	7,263	90,308	0.8
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. °	104,598	105,275	9,004	9,166	N.A.	N.A.	N.M.
Employment (000)			DEC	JAN	FEB		
Paper and Allied Products..RS.....Total	687.3	680.2	675.7	672.8	671.7	672.3	-1.2
Pulp, Paper and Board Mills..RS.....Total	238.8	233.5	229.9	230.0	229.2	229.6	-2.2
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	13.07	13.42	13.81	13.56	13.59	13.6	3.0
Pulp, Paper Mills.....RS	16.19	16.72	17.02	16.83	16.94	16.9	3.9
Paperboard Mills.....RS	16.24	16.77	17.15	16.99	16.86	16.9	3.2
New Plant & Equip. Expenditures, Paper & Allied Prod.			IIQ '93	IIIQ '93	IVQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)°	10.53	10.30	10.27	9.84	10.67	10.30 y	-2.2
Index of Output per Man-Hour (1987=100)			DEC	JAN	FEB		
:in Pulp, Paper:...Production Workers	113.2	117.7	121.8	119.0	120.4	119.7	3.0
:and Board Mills:...All Employees	112.9	117.4	121.9	119.1	120.6	119.8	3.7
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)°	131,282	129,407	10,735	10,621	10,824	128,670	-0.9
Pulp, Paper and Paperboard°	53,442	52,111	4,280	4,241	4,279	51,120	-2.4
Inventories (End of Period) - Total Industry°	13,387	13,487	13,487	13,394	13,475	13,475	0.1
Pulp, Paper and Paperboard°	5,535	5,783	5,783	5,792	5,794	5,794	4.3
Paper & Allied Products Companies (Million $)			IIQ '93	IIIQ '93	IVQ '93	1,993	
Sales (Corporations Only)	127,562	131,232	33,190	33,148	33,029	131,232	2.9
Earnings (Corporations Only)	1,213	(201)	815	(1,746)	4	(201)	N.M.
Depreciation (Corporations Only)	6,974	7,345	1,868	1,840	1,837	7,345	5.3
Net Worth (Corporations Only)	47,520	44,689	47,874	45,967	44,689	44,689	-6.0
Price Indexes (Bureau of Labor Statistics) 1982=100			DEC	JAN	FEB		
Pulp, Paper & Products, ex. Building Grades	129.4	127.6	126.9	126.8	126.9	126.9	-1.0
Wood Pulp	118.9	104.3	98.5	100.0	101.7	100.9	-8.3
Waste Paper	117.4	117.7	108.4	107.5	114.4	111.0	-11.0
Paper	123.2	123.8	123.4	122.7	122.4	122.6	-0.2
Paperboard	134.3	130.1	130.5	130.3	130.3	130.3	-1.5
Paper Demand (indexed: 1987=100)			DEC	JAN	FEB		
Total Paper Production °	110.8	112.4	114.0	110.4	114.1	112.3	0.5
Paper New Supply °	102.5	106.2	104.9	103.5	106.5	105.0	1.1
Demand Indicators - (Weighted Average) °	101.0	105.6	106.5	106.7	106.9	106.8	1.9
Production of Nondurable Goods..RS...°...(21.2%)	106.8	106.7	109.5	109.4	109.6	109.5	1.3
Disposable Income...°...(23.9%)	110.4	112.5	115.0	114.5	115.4	114.9	4.0
Total Printing and Publishing..RS...°...(54.9%)	99.1	101.4	101.7	102.2	102.1	102.2	1.0
Paperboard Demand (indexed: 1987=100)			DEC	JAN	FEB		
Total Paperboard Production °	111.9	114.1	116.4	116.1	117.0	116.6	3.1
Production for Domestic Use .....E	109.6	112.5	112.9	112.8	114.8	113.8	1.1
Demand Indicators - (Weighted Average) °	106.5	110.4	112.6	113.1	113.7	113.4	3.5
Production of Consumer Goods..RS...°...(62.06%)	105.9	108.8	110.1	110.5	111.0	110.8	2.0
Production of Equipment..RS...°...(5.75%)	111.3	118.7	123.3	124.1	125.2	124.7	7.8
Production of Materials..RS...°...(32.19%)	107.8	112.0	115.5	116.1	116.7	116.4	5.5
Market Data			DEC	JAN	FEB		
Newsprint Consumption (SAAR) - Tons (000)...R.....E	12,620	12,752	13,106	13,349	13,492	13,421	4.0
Newspaper Pub. and Printing Empl. Total(000)	451	452	455	451	450	451	-0.3
Magazine Advertising Pages (PIB, Inc.)	170,303	169,073	14,903	10,498	13,641	144,833	0.6
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	51,016	53,814	4,614	4,753	4,602	9,355	13.1
Inventories (End of Period)	5,396	5,882	5,882	5,891	5,864	5,864	8.5
Fibre Box Data (Fibre Box Association)			DEC	JAN	FEB		
Fibre Box Shipments (Million square feet)	335,696	353,755	28,109	29,565	27,664	343,374	4.3
Container'bd Inventory at Mill & Plant (000 Tons)	2,918	2,501	2,501	2,651	2,595	2,595	-12.9
Retail Trade (Billion $)							
Total Retail Sales °	1,959	2,080	181	178	181	2,156	6.3
Nondurable Goods Stores Sales °	1,252	1,296	110	109	110	1,312	2.2
General Economic Data			DEC	JAN	FEB		
Total Industrial Production (Index 1987 = 100)°	106.5	111.0	114.0	114.6	115.1	114.9	4.8
Producer Prices (All Commodities, Index: 1982=100)	117.2	118.9	118.4	119.0	119.2	119.1	0.8
Consumer Prices (All Items-Urban Con.) (1982-4=100)	140.3	141.9	145.8	146.2	146.7	146.5	2.5
Gross Domestic Product - Annual Rate (Billion$) °			IIQ '93	IIIQ '93	IVQ '93		
G.D.P. or Expenditure - Current $	6,038.5	6,377.9	6,327.6	6,395.9	6,526.5	6,377.9	5.6
G.D.P. or Expenditure - 1987 $	4,986.3	5,136.1	5,102.1	5,138.3	5,225.6	5,136.1	3.0
Paper & Paperboard Consumption - Pounds per Capita	676	689				681	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. ° = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

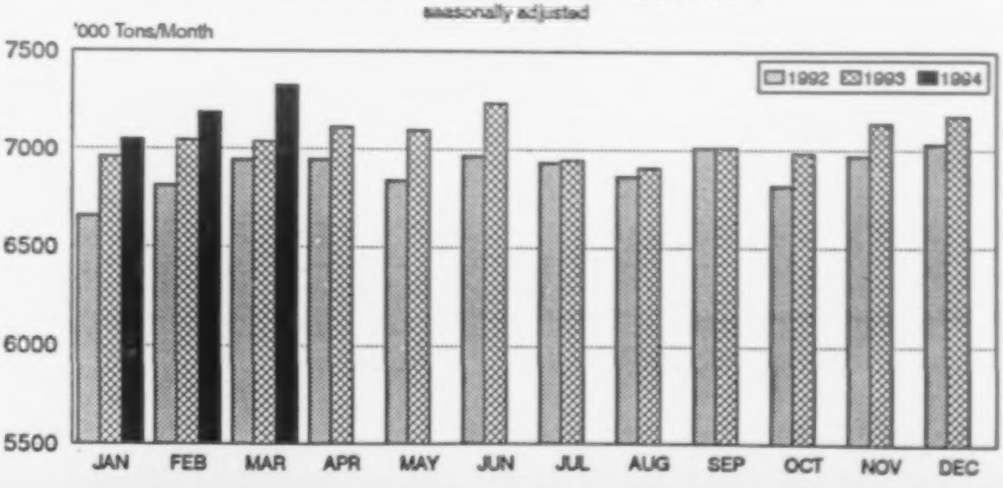
A1630 - 5

Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 72 No. 4 April 1994

HIGHLIGHTS

- Paper and paperboard production exceeded its year-ago volume by 2.5% during the first three months of 1994, with more of the strength coming from the paperboard sector (+3.8%) than from paper (+1.1%).
- A just concluded annual audit of the paperboard data revealed that 1993 production of paperboard was 393,000 tons (0.9%) higher than originally reported. The audit also resulted in some tonnage reallocations among the paperboard grades. A revised 1993 monthly data matrix is included in this report.
- Newsprint shipments to the U.S. from domestic and foreign sources were off during the first quarter of 1994, but the apparent weakness reflected inventory patterns rather than declines in underlying consumption.
- Printing-writing paper shipments gained momentum over the past two months after beginning the year on a slow note in January.
- Export-related linerboard production exceeded its year-ago volume by 28% during the first three months of 1994.
- U.S. shipments of chemical paper grade market pulp held stable relative to their year-ago volume in the first quarter of 1994, with shipments to the domestic market and exports both exhibiting little change.


TOTAL PAPER & PAPERBOARD PRODUCTION

seasonally adjusted

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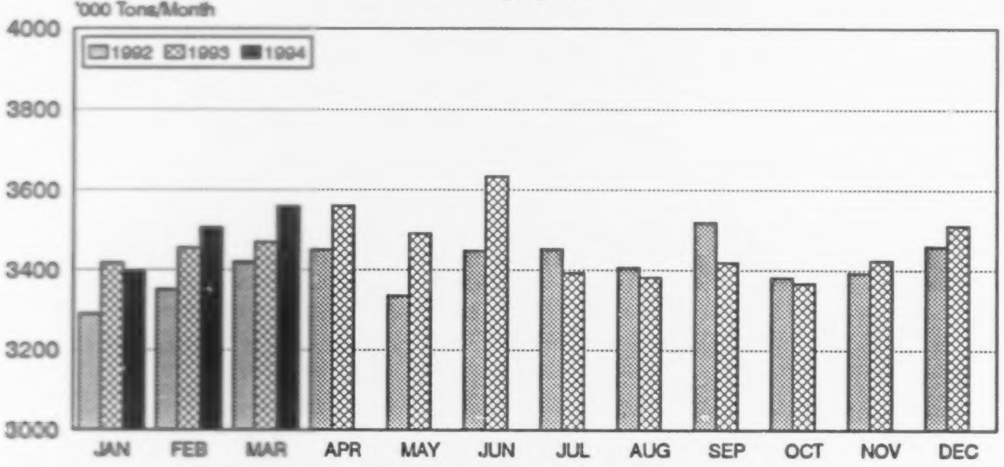
Paper: Seasonally-adjusted paper production firmed in February and March after losing significant ground in January. Production of paper surpassed its year-ago volume by 2.6% in March, but was up just 1.1% during the entire first quarter due to a lagging performance in January.

TOTAL PAPER PRODUCTION
seasonally adjusted



U.S. newsprint shipments were up 0.3% through March, as shipments to the domestic market declined 0.8% and exports rose 10.2%. Total newsprint shipments to the domestic market -- i.e., from the U.S., Canada, and overseas -- trailed their year-ago volume by 4.6% in the first quarter. However, much of that weakness appears to have reflected inventory patterns rather than underlying usage levels. Inventory accumulation at publishers decelerated from 150,000 tons during the first quarter of 1993 to 37,000 tons during this year's first quarter, thereby providing far less impetus to newsprint demand. Data based on a stratified sample of newspapers monitored by the Newspaper Association of America (NAA) suggest that newsprint consumption by daily newspapers ran considerably above year-ago levels during the first three months of 1994.

Printing-writing paper shipments gained significant momentum in March, advancing 12% relative to the previous month and 5.6% compared with year-ago. However, owing to a lagging January performance that may have been partly weather related, cumulative shipments through March were up only 1.7% relative to a year ago.

Consistent with the stronger shipments environment, mill inventories of printing-writing papers edged down in March -- marking their first decline since June 1993 -- but were still 7.2% above year-end 1993 levels and 22% above March 1993 holdings. Much of the inventory decline was concentrated in the uncoated free sheet and cover and text grades.

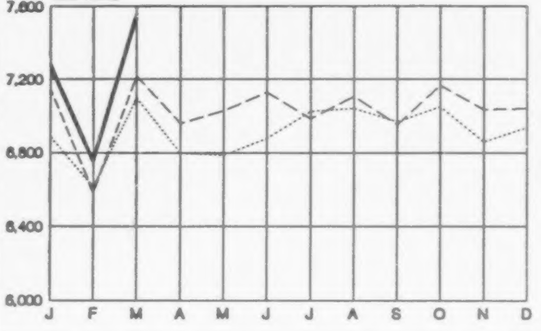
New supply of printing-writing papers (U.S. shipments plus imports less exports) exceeded their year-ago performance by 2.7% in the first quarter, reflecting continued strength in imports and weak exports. Within the export market, shipments of freesheet papers (coated and uncoated) appeared to be making some headway, while groundwood (coated and uncoated) exports were still slipping in February.

PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		DEC	JAN (R)	FEB (P)	MAR (P)	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1993	1994	1994	1994	1994	Last Year
PAPER								
Newsprint - Production	7,082	7,068	577	616	552	599	7,067	0.3
- Shipments	7,125	7,043	589	612	558	596	7,064	0.3
Printing & Writing: Total Shipments	23,394	23,891	1,949	1,955	1,908	2,140	24,014	1.7
Groundwood Paper - Shipments	1,609	1,751	157	144	144	172	1,839	7.4
- New Orders	1,655	1,835	158	144	144	169	1,827	2.9
- Unshipped Orders	164	140	219	144	155	160	160	14.2
Coated Groundwood - Shipments	4,364	4,301	356	347	339	366	4,207	-2.6
Coated Free Sheet - Shipments	3,755	3,892	315	309	322	343	3,893	5.6
Total Coated Papers - Shipments	8,119	8,193	671	656	661	708	8,101	1.1
- New Orders	8,151	8,293	753	645	626	722	7,969	-2.5
- Unshipped Orders	903	795	758	651	633	656	656	-17.5
Unctd Free Sheet - Shipments	12,170	12,345	989	1,021	981	1,120	12,485	1.5
- New Orders	12,293	12,490	986	1,001	1,023	1,230	13,017	1.9
- Unshipped Orders	720	847	885	712	754	859	859	1.4
Thin Papers - Shipments	175	155	11	13	12	11	142	-23.5
Cotton Fiber Paper - Shipments	159	163	13	13	12	14	155	-5.3
Bleached Bristols - Shipments	1,163	1,285	107	108	99	116	1,291	3.2
Tissue Paper - Production	5,784	6,008	514	517	476	507	6,000	0.4
Total Packaging & Other Paper	4,713	4,608	373	393	362	412	4,669	0.6
Unbl. Kraft Paper - Shipments	2,380	2,259	182	199	182	199	2,320	-0.6
Bl. Kraft Paper - Shipments	403	400	32	34	32	36	406	3.7
Specialty Pkg. Paper - Production	687	644	50	51	48	56	621	-1.1
Special Industrial Paper - Production	1,244	1,304	110	109	100	121	1,322	2.6
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,575	3,412	3,481	3,299	3,658	41,749	1.1
TOTAL PAPER PRODUCTION - SEAS ADJ			3,511	3,396	3,505	3,558	41,839	1.1
PAPERBOARD - PRODUCTION								
Containerboard	29,357	29,821	2,567	2,631	2,393	2,699	30,892	4.1
Cont'bd For Dom Use for Fibre Boxes	25,746	26,408	2,237	2,275	2,083	2,341	26,797	1.8
Total Linerboard	17,785	18,235	1,531	1,552	1,430	1,594	18,306	-0.3
Unbleached Kraft	16,850	16,732	1,411	1,418	1,305	1,446	16,674	-1.3
Solid Bleached	150	158	14	12	12	13	152	1.3
Recycled	784	1,346	107	121	113	135	1,480	11.8
Corrugating Medium	7,961	8,173	706	724	653	746	8,491	6.7
Semichemical	5,722	5,507	484	478	433	494	5,616	4.5
Recycled	2,239	2,666	222	246	220	253	2,875	11.5
Other Containerboard for Dom Use	345	309	23	27	22	24	293	-16.3
Containerboard for Export	3,267	3,103	307	328	288	335	3,803	25.9
Boxboard	12,611	13,392	1,122	1,163	1,063	1,191	13,670	3.3
Boxboard for Packaging for Dom Use	7,390	7,768	645	676	607	672	7,819	0.9
Folding Boxboard	5,651	5,863	480	504	454	495	5,814	-0.9
Solid Bleached	1,888	1,828	162	149	140	153	1,765	0.3
Unbleached Kraft	1,143	1,197	100	120	96	96	1,252	0.4
Recycled *	2,620	2,838	218	235	218	247	2,797	-2.2
Set-up Boxboard for Dom Use	283	323	21	25	22	29	308	2.8
Milk Carton & Food Service Dom Use	1,457	1,583	144	146	131	147	1,698	7.1
Other Boxboard for Domestic Use	4,158	4,479	368	405	371	407	4,732	7.9
Boxboard for Export	1,063	1,145	110	82	86	112	1,120	2.1
Paperboard Production by Furnish	41,968	43,213	3,689	3,794	3,456	3,890	44,563	3.8
Unbleached Kraft	21,658	21,447	1,854	1,894	1,715	1,911	22,076	2.5
Semichemical	5,902	5,672	495	494	365	511	5,477	-1.6
Solid Bleached Kraft	4,503	4,583	414	389	446	413	4,992	10.4
Recycled	9,906	11,510	926	1,017	931	1,056	12,018	6.3
Paperboard Production for Export	4,329	4,249	417	410	374	447	4,923	19.5
Unbleached Kraft	3,320	3,209	320	328	291	345	3,857	26.4
Semichemical	180	165	12	16	14	17	187	-0.5
Bleached Kraft	758	795	77	60	62	75	790	-2.1
Recycled	72	79	7	6	7	9	89	20.9
TOTAL PAPERBOARD PRODUCTION - UNADJ	41,968	43,213	3,689	3,794	3,456	3,890	44,563	3.8
TOTAL PAPERBOARD PROD - SEAS ADJ			3,663	3,651	3,681	3,766	44,394	3.8
PAPER AND PAPERBOARD - UNADJ	82,941	84,788	7,101	7,275	6,755	7,548	86,312	2.5
PAPER AND PAPERBOARD - SEAS ADJ			7,174	7,048	7,186	7,324	86,233	2.5

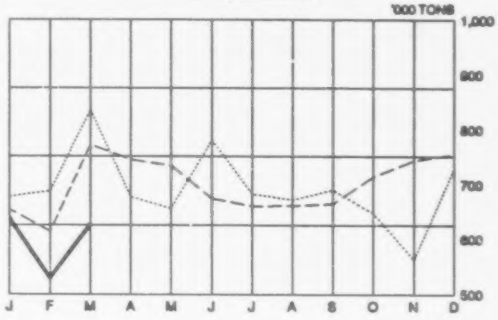
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

* Container Chip and Filler reclassified into Recycled Corrugating Medium

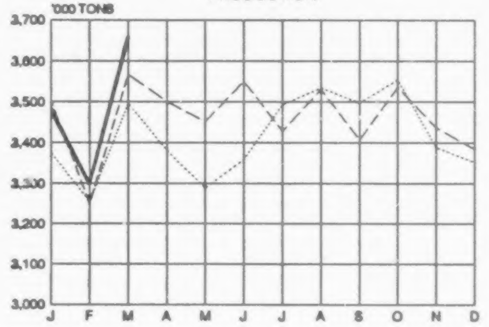
TOTAL PAPER AND PAPERBOARD
PRODUCTION



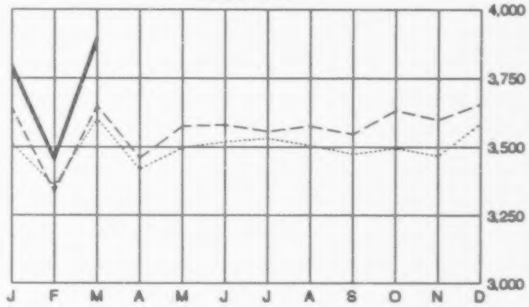
MARKET WOOD PULP
SHIPMENTS



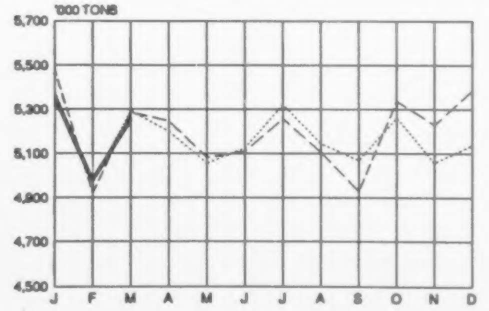
TOTAL PAPER
PRODUCTION



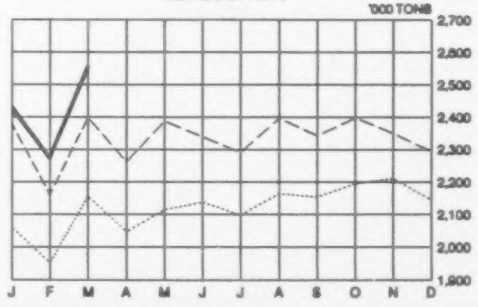
TOTAL PAPERBOARD
PRODUCTION



TOTAL WOOD PULP
CONSUMPTION



TOTAL RECOVERED PAPER
CONSUMPTION



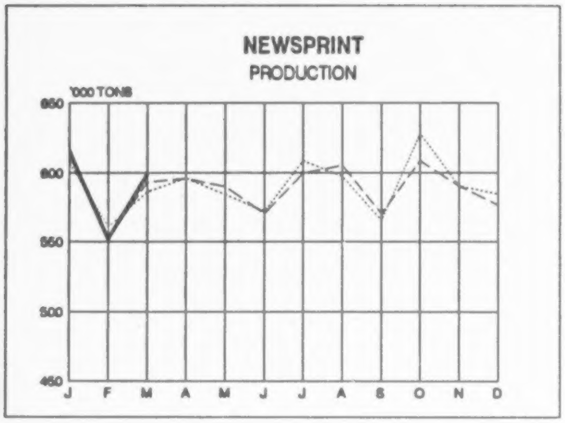
1992 .... 1993 ------ 1994 ——

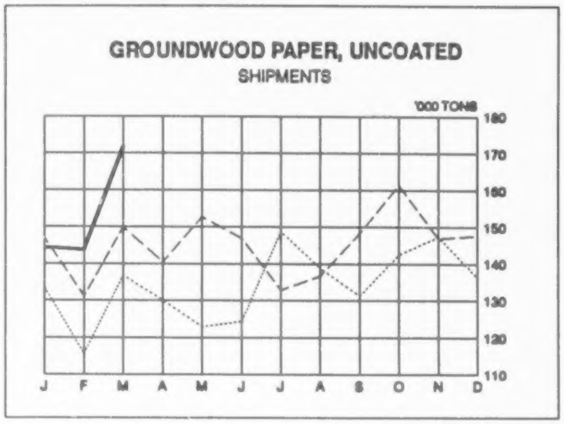
WOOD PULP STATISTICS (Thousands of Tons)		YEAR		DEC	JAN	(R) FEB	(P) MAR	Annual Rate Y-T-D	% Change From Same Period
		1992	1993	1993	1993	1994	1994	1994	Last Year
TOTAL WOOD PULP									
Total Wood Pulp	Production	63,960	62,908	5,527	5,456	4,970	5,299	62,904	-0.0%
(Paper Grades)	Imports	4,882	5,320	421	459	435	438	5,329	-4.9%
	Exports	6,421	5,850	530	477	366	458	5,206	-12.7%
	New Supply	62,421	62,377	5,418	5,438	5,039	5,280	63,027	0.8%
Paper Grades	Production	53,358	52,738	4,696	4,590	4,199	4,461	53,001	0.8%
Chemical Pulp	Imports	4,570	4,889	390	419	395	402	4,863	-5.0%
	Exports	6,321	5,747	525	469	360	451	5,120	-11.9%
	New Supply	51,607	51,880	4,562	4,540	4,234	4,412	52,745	1.6%
Groundwood and	Production	6,501	6,158	494	520	463	495	5,912	-6.2%
Thermo-Mech.	Imports	312	431	31	40	40	37	465	-3.7%
	Exports	100	104	5	8	7	7	86	-43.1%
	New Supply	6,713	6,485	520	551	496	525	6,291	-5.2%
Semi-Chemical	Production	4,101	4,012	337	346	309	343	3,992	-0.7%
	Imports								
	Exports								
	New Supply	4,101	4,012	337	346	309	343	3,992	-0.7%
MARKET WOOD PULP									
Paper Grades	Production	8,670	8,117	715	721	605	705	8,124	0.0%
Chemical Pulp	Imports	2,946	3,132	281	284	236	284	3,215	1.4%
	Exports	5,906	5,571	540	457	399	460	5,264	-0.4%
	New Supply	5,709	5,678	456	548	442	529	6,075	1.1%

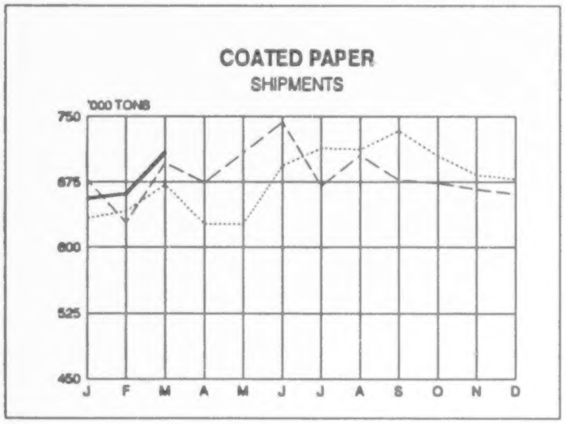
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

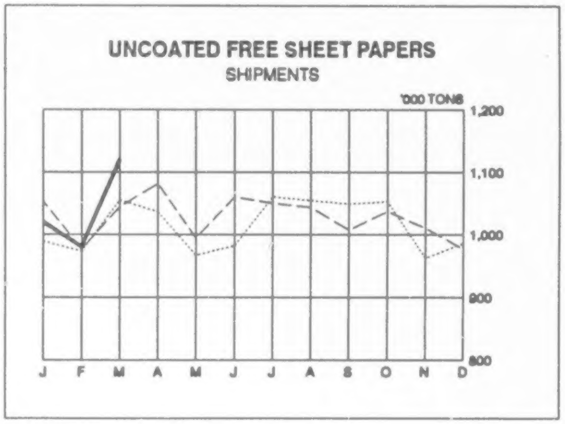
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		DEC	JAN	(R) FEB	(P) MAR	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1993	1993	1994	1994	1994	Last Year
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,677	7,783	7,254	7,805	91,368	1.0%
Total Wood Pulp	62,011	62,356	5,383	5,355	4,980	5,252	62,345	-0.6%
Recovered Paper	25,440	27,995	2,295	2,428	2,275	2,553	29,022	4.6%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	236	203	195	196	229	200	200	-1.2%
Producers' Market Inventories	480	876	614	664	646	651	651	-25.7%
Consumers' Purchased Inventories *	438	450	382	368	378	N/A	N/A	N/A
Recovered Paper at Paper & Bd. Mills	1,061	1,090	1,097	974	938	969	969	-11.1%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	39	26	28	28	29	29	-25.6%

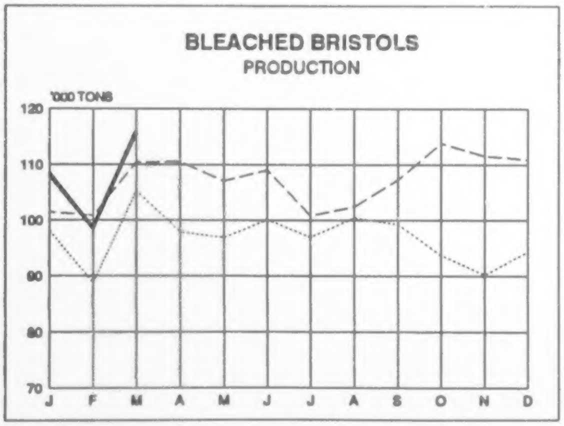
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA. N/A - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

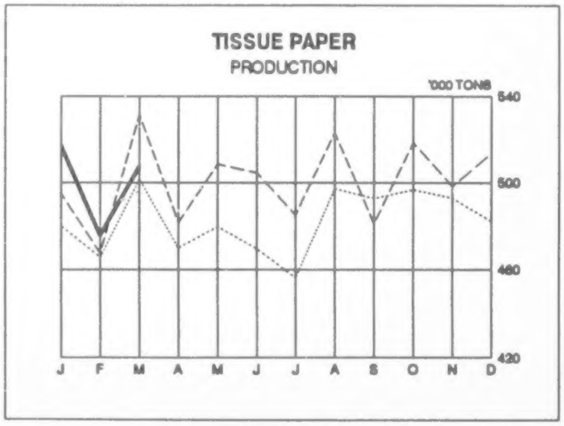

NEWSPRINT
PRODUCTION


GROUNDWOOD PAPER, UNCOATED
SHIPMENTS


COATED PAPER
SHIPMENTS


UNCOATED FREE SHEET PAPERS
SHIPMENTS


BLEACHED BRISTOLS
PRODUCTION


TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR 1992	YEAR 1993	Nov 1993	Dec 1993	Jan 1994	Feb 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,082	8,741	9,032	8,958	8,881	107,034	0.8
- Total Consumpt	104,598	105,275	8,678	9,004	9,166	8,710	107,256	-0.3
- Residues *	39,784	43,134	3,512	3,648	3,600	3,446	42,276	1.1
- Inventories	5,314	5,989	5,833	5,989	5,714	5,838	5,838	8.7
So. Atlantic - Total Receipts	33,704	34,958	2,899	2,893	2,909	2,835	34,464	-1.7
- Total Consumpt	34,015	34,693	2,919	2,898	3,010	2,862	35,232	0.1
- Residues *	13,173	14,916	1,255	1,249	1,263	1,241	15,024	1.4
- Inventories	1,199	1,503	1,486	1,503	1,396	1,357	1,357	15.1
Northeast - Total Receipts	7,511	7,791	614	664	644	694	8,028	-3.3
- Total Consumpt	7,341	7,751	631	658	667	646	7,878	-0.2
- Residues *	1,800	1,782	140	150	145	151	1,776	3.9
- Inventories	347	330	326	330	314	360	360	-13.5
South Central - Total Receipts	42,665	44,542	3,794	3,872	3,757	3,720	44,862	5.1
- Total Consumpt	42,956	44,039	3,602	3,875	3,829	3,706	45,210	1.3
- Residues *	15,544	17,596	1,425	1,485	1,437	1,404	17,046	0.4
- Inventories	1,736	2,128	2,038	2,128	1,986	1,981	1,981	18.8
North Central - Total Receipts	7,310	7,419	564	706	703	789	8,952	2.9
- Total Consumpt	7,339	7,508	630	654	651	623	7,644	-0.9
- Residues *	1,139	1,118	87	145	86	90	1,056	4.8
- Inventories	813	721	654	721	776	927	927	-6.7
West - Total Receipts	12,701	11,372	870	897	945	843	10,728	-6.4
- Total Consumpt	12,947	11,284	896	919	1,009	873	11,292	-6.6
- Residues *	8,128	7,722	605	619	669	560	7,374	0.7
- Inventories	1,219	1,307	1,329	1,307	1,242	1,213	1,213	8.8

* - Consumption of Residues in Cord Equivalents.

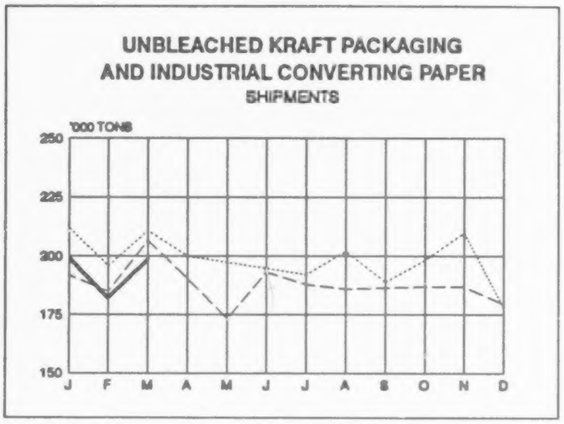
SOURCE: American Pulpwood Association

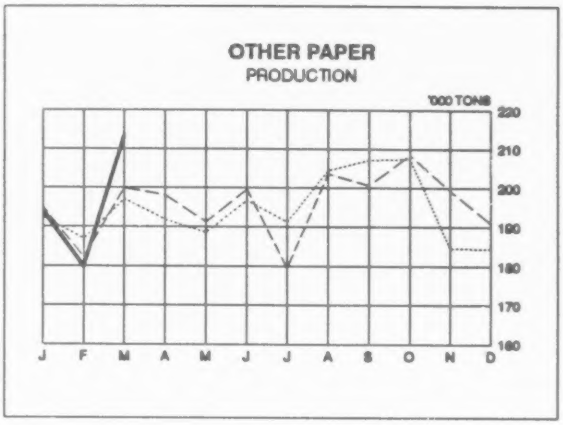
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						Annual Rate Y-T-D 1994	% Change From same Period Last Year
	YEAR 1993		January 1994		February 1994			
	Tons	($000's)	Tons	($000)	Tons	($000)	Tons	
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M.
Pulpwood chips	360,080	16,098	11,120	572	8,506	429	117,759	-72.6
Wood Pulp, Total	4,662,246	1,608,657	404,191	130,862	409,558	134,802	4,882,499	2.1
Waste Fibrous Materials, Total	127,838	19,399	13,951	1,554	19,157	1,830	198,646	64.7
Paper, Board & Products, Total	11,548,456	5,681,810	953,003	476,937	922,800	448,406	11,254,820	0.3
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	927,472	427,441	898,575	399,672	10,956,282	-0.4
Paper, Paperboard & Products	11,427,296	5,653,489	943,524	474,434	913,560	446,002	11,142,501	0.2
Paper & Paperboard, Only	11,170,712	5,129,264	917,993	424,939	889,334	397,267	10,843,963	-0.5
Paper, Total	10,249,618	5,221,372	825,650	392,029	801,456	365,620	9,762,640	-3.3
Newsprint	7,630,129	3,546,762	611,429	257,175	591,712	235,710	7,218,850	-6.6
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	188,104	112,118	184,376	107,257	2,234,879	9.3
Pack. & Ind. Conv. Paper	204,576	125,317	16,610	10,254	14,971	9,634	189,481	-7.5
Special Industrial Paper	60,[illegible]09	101,041	4,704	8,786	4,800	8,839	57,023	-2.1
Tissue Paper	73,952	56,474	4,804	3,696	5,597	4,180	62,406	14.3
Paperboard, Total	921,094	343,269	92,343	32,909	87,878	31,648	1,081,323	35.2
Convtd Paper&Paperbd Products	256,584	556,374	25,531	49,495	24,225	48,734	298,538	35.0
Wet Machine Board	800	749	105	91	69	68	1,043	-16.4
Construction Paper & Board	120,361	30,217	9,375	2,412	9,171	2,337	111,276	11.9

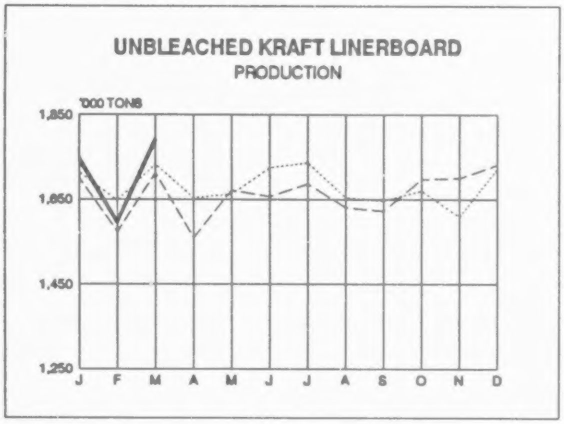
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	296,266	9,603	279,362	8,974	3,453,768	-25.2
Pulpwood chips	363,398	18,332	42,683	2,179	46,277	2,132	533,760	75.1
Wood Pulp, Total	313,005	133,450	24,611	9,706	30,114	11,342	328,350	-20.1
Cotton Pulp & Other Pulp	5,710	3,341	132	106	375	299	3,041	-66.3
Waste Paper	1,182,448	142,952	85,068	10,297	92,066	10,990	1,062,805	-1.8
Paper, Board & Products, Total	1,710,071	1,658,778	131,837	140,279	131,184	140,067	1,578,128	-0.3
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	94,128	79,824	92,273	75,929	1,118,405	-2.7
Paper, Paperboard & Products	1,704,072	1,656,494	131,610	140,186	130,854	139,938	1,574,789	-0.3
Paper & Paperboard, Only	1,225,877	928,862	93,901	79,731	91,944	75,801	1,115,066	-2.7
Paper, Total	671,502	687,704	57,704	58,757	5[illegible],347	54,969	666,304	0.4
Newsprint	14,376	6,997	502	255	805	440	7,838	-58.4
Printing, Writing & Rel. Pap.	480,105	470,309	44,249	42,083	38,040	37,291	493,730	2.4
Pack. & Ind. Conv. Paper	56,540	42,700	4,242	3,377	4,266	2,968	51,048	-8.8
Special Industrial Paper	85,450	133,523	5,821	10,073	6,273	10,666	72,564	-7.9
Tissue Paper	35,031	34,175	2,891	2,969	3,963	3,604	41,125	49.5
Paperboard, Total	554,375	299,348	36,196	20,975	38,597	20,832	448,762	-7.0
Convtd Paper&Paperbd Products	478,195	754,164	37,710	60,455	38,911	64,138	459,722	6.0
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	5,999	2,402	227	93	330	128	3,339	23.4

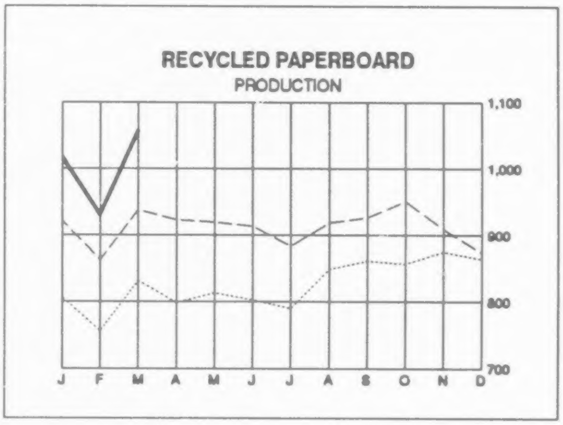
SOURCE: Bureau of Census, Department of Commerce.

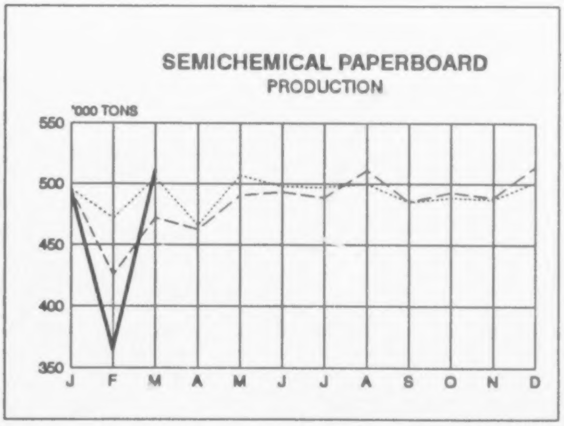
N.M. - Not Meaningful

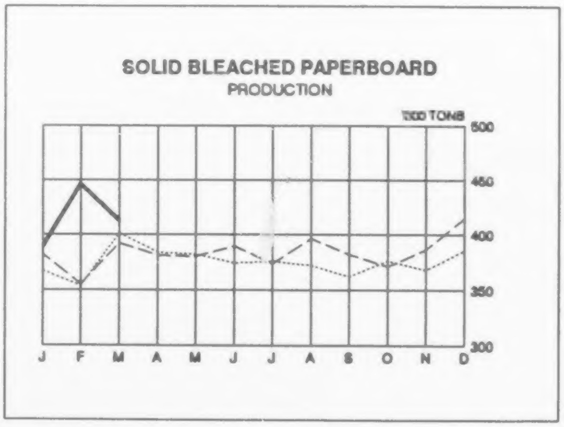

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1992 .... 1993 ------ 1994 ——

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		January 1994		February 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	17,088	1,267	151,486	1,356	1,011,442	133.7
Total All Imports	19,529,543	10,413,422	1,617,806	807,412	1,552,675	767,739	19,022,887	3.9
Wood Pulp Total	5,412,797	1,860,163	467,395	151,573	438,243	143,528	5,433,827	0.6
Waste Paper	137,835	22,265	14,440	1,716	19,589	1,889	204,175	59.8
Other Fibrous Materials	8,143	4,425	843	307	719	360	9,371	24.3
Paper Board & Products Total	13,970,768	8,526,549	1,135,128	653,817	1,094,125	621,962	13,375,514	4.7
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,086,695	542,631	1,042,738	511,097	12,776,600	3.3
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,124,002	650,058	1,083,949	618,720	13,247,708	4.7
Paper & Paperboard Only	13,330,595	7,195,151	1,075,569	538,873	1,032,563	507,854	12,648,794	3.3
Paper Total	12,250,220	6,753,643	972,657	501,013	935,937	471,575	11,451,563	1.0
Newsprint	7,783,906	3,593,326	621,548	259,355	594,602	236,839	7,296,899	-6.6
Printing & Writing	3,984,250	2,570,081	311,994	193,083	303,475	188,087	3,692,815	19.9
Uncoated Groundwood	1,733,551	1,001,611	126,698	68,458	145,125	81,333	1,630,937	19.9
Coated Print.& Impreg. Pap.	1,136,928	823,565	92,599	65,721	73,511	53,310	996,660	29.2
Uncoated Free Sheet	991,249	618,187	84,641	60,428	75,429	44,167	960,417	13.2
Thin (except Cigarette)	6,759	10,183	271	619	542	767	4,875	-51.2
Bristols	115,764	116,534	7,786	7,857	8,869	8,511	99,926	11.6
Total Pkg & Other Paper	399,411	527,120	33,408	44,069	31,412	41,857	388,917	0.3
Unbleached Kraft Paper	177,342	93,702	15,536	7,897	12,956	6,689	170,949	-2.2
Other Pkg. & Indust. Paper	222,070	433,418	17,872	36,172	18,456	35,169	217,968	2.3
Tissue	82,653	63,116	5,707	4,506	6,449	4,791	72,931	27.2
Paperboard, Total	1,080,375	441,508	102,913	37,860	96,626	36,279	1,197,231	31.9
Kraft Paperboard	217,945	81,638	19,472	7,559	21,477	8,175	245,689	23.1
Semi-Chemical Corrugating	267,438	65,898	34,776	8,886	30,015	7,519	388,743	73.0
Other Paperboard	594,992	293,972	48,665	21,414	45,135	20,585	562,799	16.4
Convtd Paper&Paperbd Products	499,972	1,283,698	48,433	111,185	51,386	110,866	598,914	45.7
Paper Products, Total	355,638	1,007,231	32,468	84,466	29,789	83,604	373,545	27.2
Paperboard Products, Total	144,334	276,467	15,965	26,719	21,597	27,261	225,369	91.8
Wet machine Board	924	842	105	91	79	76	1,103	-29.8
Construction Paper & Board E	139,278	46,857	11,021	3,668	10,096	3,167	126,703	4.1
Notes								
Other: No Weight Avail. ($000)		170,733		9,658		9,964	117,732	14.7
Total Imports Incl. Other($000)		10,584,154		817,070		777,703	9,568,640	3.9

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		January 1994		February 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	304,093	9,703	282,509	9,044	3,519,612	-24.3
Pulpwood Chips	5,248,132	423,288	359,919	31,661	497,961	38,998	5,147,276	0.7
Total All Exports	21,637,893	9,527,479	1,870,249	785,019	1,627,968	725,646	20,989,307	-2.2
Wood Pulp,Total	6,499,065	2,369,414	536,279	190,159	413,004	147,840	5,695,700	-13.5
Cotton Pulp and Other Pulp	124,656	83,505	7,480	6,147	9,093	7,014	99,439	-42.3
Waste and Old Paper	5,888,369	533,240	512,977	41,934	453,398	41,121	5,798,253	0.3
Paper, Board & Products,Total	9,125,803	6,541,320	813,513	546,778	752,473	529,671	9,395,915	5.4
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	679,591	352,471	625,514	335,327	7,830,629	5.2
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	812,268	546,058	750,971	529,013	9,379,437	5.4
Paper & Paperboard, Only	7,494,893	4,224,234	678,347	351,750	624,012	334,669	7,814,151	5.3
Paper, Total	2,586,993	2,066,927	218,966	168,989	214,949	165,840	2,603,489	1.0
Newsprint	1,019,146	496,060	80,497	37,585	75,674	34,656	937,024	6.9
Printing & Writing	1,120,439	980,400	101,216	83,437	100,247	82,897	1,208,776	-6.0
Uncoated Groundwood	109,386	75,504	8,365	5,705	7,315	6,126	94,080	-13.1
Clay Coated Paper	342,036	282,860	28,713	22,623	30,794	24,148	357,044	-11.4
Uncoated Free Sheet	425,310	435,213	43,600	40,747	42,996	38,803	519,574	1.3
Other Printing & Writing	243,707	186,823	20,538	14,362	19,142	13,821	238,078	-9.2
Total Pkg. & Other Paper	379,092	501,465	31,604	40,346	30,905	38,124	375,052	5.8
Unbleached Kraft	130,748	66,917	10,311	4,983	9,746	4,935	120,338	2.5
Other Pkg. & Indust. Paper	248,345	434,548	21,293	35,363	21,159	33,189	254,714	7.5
Tissue	68,315	89,002	5,650	7,620	8,123	9,963	82,637	34.3
Paperboard, Total	4,907,901	2,157,307	459,381	182,761	409,063	168,830	5,210,662	7.6
Solid Wood Pulp	4,645,501	2,000,622	440,002	172,074	389,974	157,579	4,979,858	8.5
Total Linerboard	2,995,058	931,801	296,981	86,121	260,881	76,493	3,347,176	11.7
Bleached Kraft Linerboard	14,552	10,840	669	458	142	93	4,865	15.5
Unbleached Kraft Linerbd	2,980,506	920,961	296,312	85,663	260,740	76,400	3,342,311	11.7
Other Unbleached Kraft	505,984	255,357	38,455	18,682	36,540	18,872	449,968	2.6
Other Bleached Kraft	1,025,864	776,502	88,592	62,946	83,336	59,462	1,031,569	1.4
Semi-Chemical Corrugating	118,595	36,964	15,974	4,326	9,217	2,752	151,146	9.2
Recycled Paperboard	262,399	156,685	19,379	10,687	19,088	11,251	230,804	-8.7
Convtd Paper&Paperbd Products	1,604,427	2,304,242	133,922	194,307	126,959	194,344	1,565,286	6.2
Paper Products, Total	750,263	1,469,052	58,344	121,502	61,225	128,283	717,412	14.3
Paperboard Products, Total	854,164	835,190	75,578	72,805	65,734	66,060	847,874	0.2
Wet Machine Board	596	400	23	16	24	18	281	-63.2
Construction Paper & Board E	25,886	12,445	1,222	705	1,478	640	16,198	-19.5
Notes								
Other: No Weight Avail. ($000)		86,234		5,397		6,283	70,084	0.5
Total Exports Incl. Other($000)		9,613,713		790,416		731,930	9,134,074	-2.2

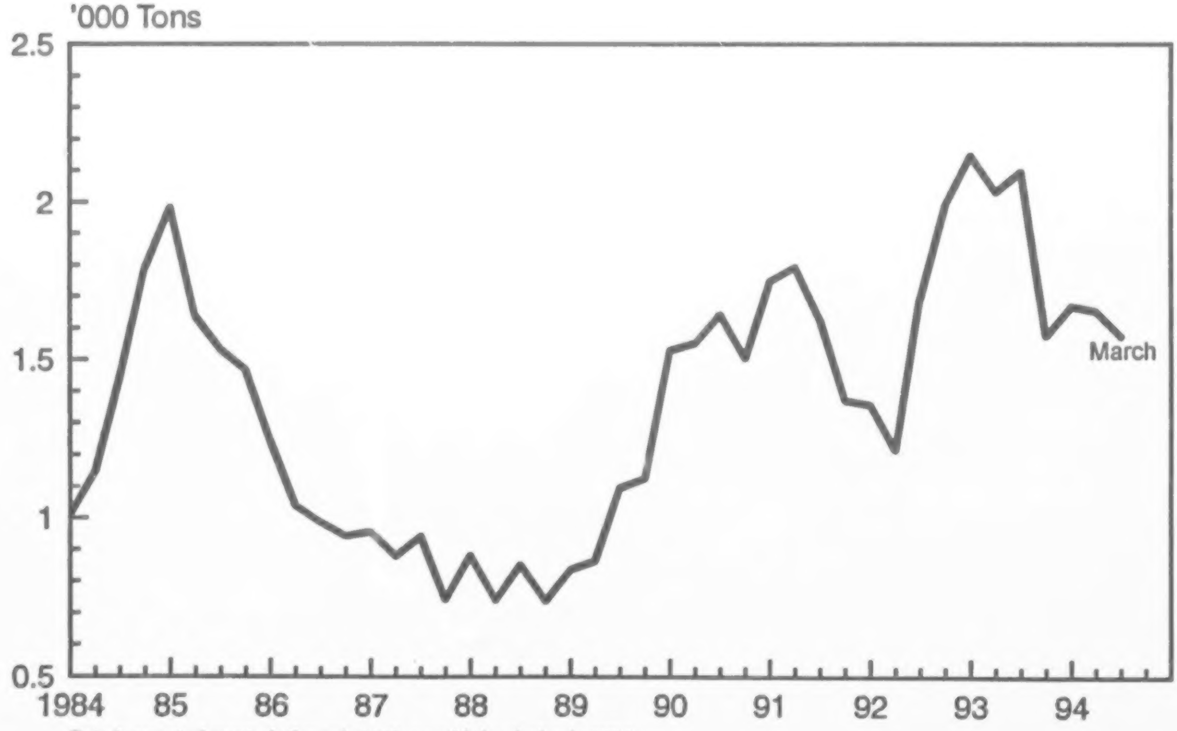
SOURCE: Bureau of Census. U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1992	YEAR 1993	DEC 1993	JAN 1994	FEB 1994	MAR 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.2	127.6	126.9	126.8	126.9	127.4	127.0	-0.9
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.2	127.1	127.1	127.3	127.2	-0.8
Total Wood Pulp	118.9	104.3	98.5	100.0	101.7	102.2	101.3	-6.6
Total Paper	123.2	123.8	123.4	122.7	122.4	121.9	122.3	-0.5
Writing Paper, exc. Newsprint	120.2	120.5	120.2	119.2	118.7	117.5	118.5	-0.5
Newsprint	109.9	112.1	110.7	109.7	109.3	110.4	109.8	-1.9
Total Paperboard	134.3	130.0	130.5	130.3	130.3	131.4	130.7	-1.0
Total Paper and Paperboard *	126.7	125.7	125.6	125.1	124.9	124.9	124.9	-0.7
Converted Products	134.8	133.7	133.3	133.4	133.4	133.6	133.5	-0.5
Waste Paper	117.4	117.7	108.4	107.5	114.4	130.9	117.6	-6.5
All Commodities	117.2	118.9	118.4	119.0	119.2	119.7	119.3	0.8
Industrial Commodities	117.4	119.0	117.9	118.5	118.7	119.3	118.8	0.1

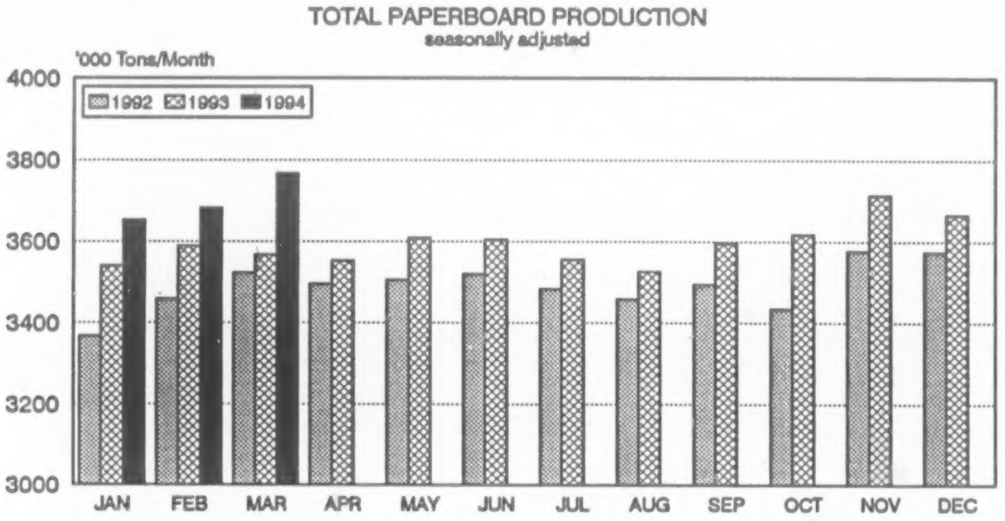
SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

NORTH AMERICAN AND NORDIC PRODUCERS' CHEMICAL PAPER GRADE MARKET PULP INVENTORIES



Data is reported quarterly through 1993, monthly beginning in 1994

Paperboard: Paperboard production exceeded its year-ago volume by 3.8% in the first quarter of 1994, reflecting a 4.1% increase in containerboard production and a 3.3% gain in the boxboard grades.



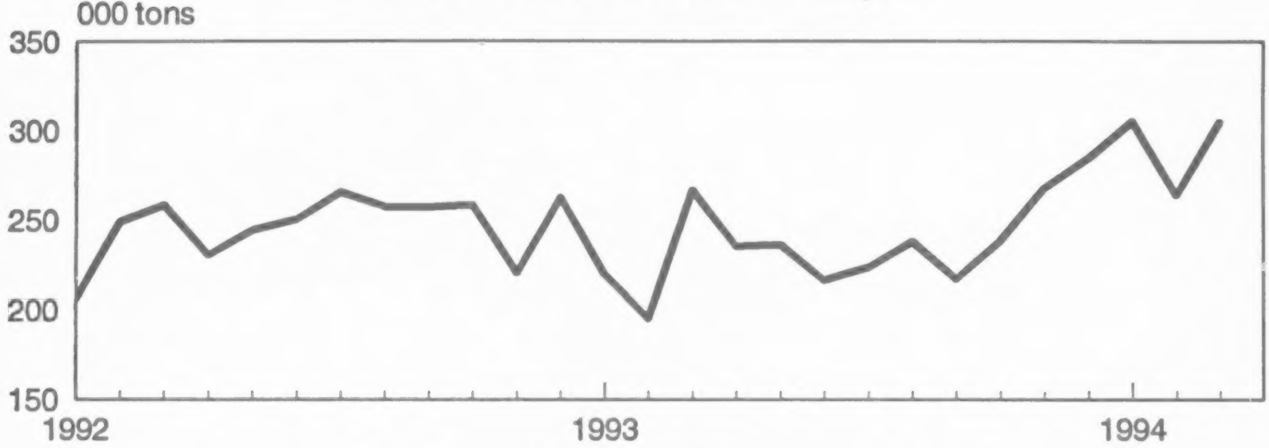
Paperboard data for 1993 and the first two months of this year have been revised to reflect findings of the annual statistical audit. The audit revealed that paperboard production was 393,000 tons (0.9%) higher than originally reported for 1993 with corresponding adjustments for the first two months of this year. In addition to the upward revision in overall paperboard production, the audit resulted in tonnage reallocations between grades. In particular, 1993 production of bleached folding boxboard for domestic use was reduced by 150,00 tons and other uses were reduced by about 10,000 tons; production of milk carton and food service for domestic was raised by 74,000 tons, export-related production was revised up 53,000 tons, and bleached linerboard production was increased by 12,000 tons.

Overall 1993 production of recycled paperboard was revised up by 472,000 tons, with the tonnage gains spanning several categories including recycled medium (+210,000 tons), recycled folding boxboard for domestic use (+108,000 tons), recycled linerboard (+50,000), and other miscellaneous categories. Production of semichemical paperboard was reduced by 58,000 tons as a result of reclassification, while unbleached kraft paperboard production was left virtually unchanged.

Containerboard production exceeded its year-ago volume by 4.1% through March, with both domestic demand and exports contributing to the strong performance. The Fibre Box Association reports that box shipments were up 4.6% relative to year ago in the first quarter, although their seasonally adjusted rate was slightly below the fourth quarter's level.

Export-related linerboard production rebounded vigorously in the first quarter of 1994, exceeding its year-ago performance by 28.4%. Census Bureau data for the first two months of 1994 point to a fairly broad based upturn in demand for U.S. kraft linerboard. In particular, U.S. exports to Europe rose 16% relative to year ago through February and exports to Asia jumped 21%. Latin American demand, on the other hand, was up a more moderate 1.7% (See linerboard production for export chart on the top of page 12).

Linerboard Production for Export



MARKET PULP

U.S. shipments of chemical paper grade market pulp eased 0.2% relative to their year-ago volume during the first three months of 1994. Shipments to the domestic market held stable at 716,495 short tons, while exports declined a fractional 0.4% to 1.3 million tons. Total North American and Nordic shipments of chemical paper grade market pulp rose 8.7% during the first three months of 1994, as shipments to Japan surged 28.0% relative to year ago, and shipments to Western Europe and the U.S. increased 8.7% and 3.9%, respectively.

U.S. production of chemical paper grade market pulp totaled 2.034 million short tons in the first three months of 1994, virtually matching its year-ago volume of 2.037 million tons. Operating rates for U.S. chemical paper grade market pulp mills averaged 91% of capacity (January-March 1994), versus 89% in the same year-ago period. The chart on page 10 profiles the downtrend since mid-1993 in North American and Nordic producer inventories of chemical grade market pulp.

U.S. INDUSTRIAL OUTLOOK 1994

The U.S. Industrial Outlook, prepared annually by the Census Bureau, provides detailed data, analyses, and market assessments for more than 50 industries.

Chapter 10 of the 1994 edition describes the major sectors of the paper and allied products industry, including pulp, paper and paperboard, corrugated and solid fiber boxes, folding paperboard boxes, sanitary paper products and envelopes.

It indicates that the paper industry ranks eighth in value of shipments among U.S. manufacturing industries and third in the nondurables sector. Paper and allied products employment totaled 620,000 in 1993, versus a peak level of 630,000 in 1990. Wage increases remained stable last year at approximately 3%, according to the Outlook report, pacing inflation as measured by the Consumer Price Index.

While the U.S. paper industry remains fundamentally competitive in world trade, 1993 was a year of reversals. After narrowing during the prior four years, the U.S. paper industry's trade deficit with the rest of the world escalated in 1993, reflecting an expansion in imports in the face of fairly stable exports. On the positive side, the Outlook notes the prospects for improved trade with the recent ratification of the North American Free Trade Agreement (NAFTA) and continued work on eliminating trade barriers with countries participating in GATT. It also mentions that the U.S. industry supplies one-third of the world's paper and paperboard and that as world consumption increases it will be in a good position to pick up the new demand.

In its environmental profile of the industry, the article points up the improved domestic recovery of recovered paper (40% at the end of 1993). It also notes factors which will continue to provide incentives for the industry to move even further along in its recycling efforts.

The Outlook forecasts that shipments of paper and allied products will grow at an average annual rate of more than 2% through 1998. It points to Latin America and developing Pacific Rim markets as the key to expanded export growth for the industry. More specifically, long term prospects for paper and paperboard are positive as "shipments over the next five years should increase at an average annual rate of more than 2%" and exports will rise more than 4% during that same period, provided tariffs and other barriers are eliminated.

According to the report, value added and graphic enhanced packaging will be the wave of the future in the corrugated and fiber box industry, with growth estimated at 6-7% annually through 1998. The value of corrugated exports are anticipated to rise at an average of 10% over the next five years, while shipments will grow better than 2% annually for the same period.

Pulp shipments in 1994 are expected to improve more than 2%, according to the Outlook, as world economies rebound, and the volume of exports are expected to expand by more than 8%. Over the next five years, the Outlook expects the pulp sector to see higher sales but shipment growth limited to 2% compounded annually.

The table below outlines trends and forecasts for the industry according to the Outlook.The report is available from the Superintendent of Documents, P.O. Box 371954, Pittsburgh PA 15250-7954 for $37 (25% surcharge for international buyers). The opinions and forecasts presented in the report, and in this summary, are those of the authors and are not necessarily endorsed by the American Forest & Paper Association.

TRENDS AND FORECASTS: VALUE OF PRODUCT SHIPMENTS
(Millions of Current Dollars)

	1987	1988	1989	1990	1991	1992 *	1993 *	1994 **	AVG. ANNUAL GROWTH (%) (1987-1994)
PAPER AND ALLIED PRODUCTS	$105,399	$118,725	$127,266	$127,528	$124,658	$127,102	$125,891	$131,505	3.2%
PULP MILLS	5,357	6,686	7,719	6,917	5,741	6,047	5,603	6,054	1.8%
PAPER AND PAPERBOARD MILLS	40,819	47,420	49,756	49,701	47,148	46,679	46,024	47,523	2.2%
CORRUGATED AND SOLID FIBER BOX	15,602	17,335	18,325	17,979	17,434	18,532	18,925	19,625	3.3%
FOLDING PAPERBOARD BOXES	5,522	5,866	6,567	6,794	7,200	7,359	7,433	7,584	4.7%
SANITARY PAPER PRODUCTS	11,172	11,853	13,637	14,008	14,756	15,865	16,183	16,723	5.9%
ENVELOPES	2,500	2,650	2,604	2,602	2,492	2,392	2,434	2,499	-0.0%

Source: U.S. Industrial Outlook 1994, U.S. Department of Commerce: Bureau of Census

* Estimate ** Forecast

1993
PRODUCTION MATRIX

1993	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SUM
PAPER													
Newsprint - Production	615.0	552.6	593.5	596.0	589.9	570.4	599.4	605.3	570.4	608.7	590.5	576.8	7,068.4
- Shipments	604.0	561.4	594.5	581.9	565.5	578.8	595.0	584.1	591.3	597.5	600.1	588.6	7,042.7
Printing & Writing: Total Shipments	2,006.1	1,863.5	2,035.1	2,033.2	1,988.8	2,082.6	1,977.3	2,012.5	1,969.2	2,012.3	1,961.9	1,948.5	23,891.1
Groundwood Paper - Shipments	146.8	131.1	149.9	140.4	152.6	146.9	132.9	136.7	148.3	161.5	146.9	157.0	1,750.9
- New Orders	169.1	126.4	148.6	174.1	172.6	149.7	140.7	140.0	163.7	168.7	123.2	158.0	1,834.8
- Unfilled Orders	150.4	143.2	140.3	175.5	195.1	196.9	203.3	211.2	221.7	229.3	201.2	218.8	140.3
Coated Groundwood - Shipments	361.5	336.5	382.4	357.2	400.2	405.9	331.0	347.5	342.0	333.5	347.4	355.6	4,300.5
Coated Free Sheet - Shipments	315.8	291.5	314.6	317.0	308.4	337.2	339.3	358.3	335.5	340.4	319.1	315.3	3,892.4
Total Coated Papers - Shipments	677.3	628.0	697.0	674.2	708.6	743.1	670.3	705.8	677.4	673.9	666.5	670.9	8,192.9
- New Orders	699.0	658.4	686.1	756.2	714.2	743.1	670.1	677.7	665.9	656.7	613.3	752.7	8,293.3
- Unfilled Orders	762.1	811.4	795.3	873.9	876.6	743.1	783.5	748.1	746.4	724.6	657.0	758.0	795.3
Unctd Free Sheet - Shipments	1,052.6	976.8	1,044.9	1,081.4	994.9	1,059.7	1,049.9	1,043.4	1,007.2	1,034.8	1,010.0	989.3	12,344.8
- New Orders	1,124.0	985.1	1,084.4	1,136.1	998.1	1,053.6	1,063.2	1,040.8	1,016.1	1,020.5	981.3	986.5	12,489.8
- Unfilled Orders	794.3	799.6	846.6	897.4	899.5	893.6	914.8	905.0	915.9	906.0	863.4	884.5	846.6
Thin Papers - Shipments	14.4	14.0	18.1	12.0	12.2	10.7	10.8	10.0	13.9	14.0	13.1	11.4	154.5
Cotton Fiber Paper - Shipments	13.5	12.7	14.8	14.8	13.5	13.1	12.5	13.6	14.4	13.6	13.4	13.0	163.0
Bleached Bristols - Shipments	101.5	100.9	110.4	110.5	107.0	109.2	101.0	103.0	106.1	114.4	112.1	106.9	1,284.9
Tissue Paper - Production	494.7	467.4	531.3	481.8	508.4	504.5	485.1	523.1	481.2	518.4	496.3	513.6	6,007.8
Total Packaging & Other Paper	386.7	367.1	406.5	388.5	364.6	392.7	367.3	389.5	386.9	395.4	389.0	373.4	4,607.6
Unbl. Kraft Paper - Shipments	191.8	184.9	206.7	190.4	173.3	193.1	187.8	186.0	186.3	186.9	189.7	182.4	2,259.3
Bl. Kraft Paper - Shipments	34.7	30.4	32.9	29.8	31.0	33.4	32.1	39.4	35.0	36.5	33.8	31.5	400.3
Specialty Pkg. Paper - Production	53.1	50.1	53.7	54.6	54.4	53.8	50.8	55.3	54.4	60.8	53.3	49.5	643.8
Special Industrial Paper - Production	107.1	101.7	113.2	113.7	105.9	112.4	96.6	108.8	111.2	111.2	112.4	110.0	1,304.2
TOTAL PAPER PRODUCTION - NSA	3,502.5	3,250.6	3,566.4	3,499.5	3,451.7	3,550.2	3,429.1	3,530.4	3,407.7	3,534.8	3,439.7	3,412.3	41,574.9
TOTAL PAPER PRODUCTION - SA	3,417.1	3,454.4	3,469.3	3,560.0	3,490.1	3,633.7	3,391.8	3,381.6	3,417.9	3,366.5	3,422.6	3,510.8	41,515.6
PAPERBOARD - PRODUCTION 1993	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SUM
Containerboard	2,550.8	2,329.3	2,542.3	2,361.5	2,489.5	2,498.4	2,506.9	2,475.9	2,461.9	2,525.7	2,511.6	2,566.7	29,820.5
06-May-94													
Cont'bd For Dom Use for Fibre Boxes	2,274.7	2,084.7	2,220.2	2,071.2	2,212.1	2,240.2	2,238.2	2,191.4	2,199.7	2,242.3	2,196.6	2,236.9	26,408.4
Total Linerboard	1,567.3	1,475.2	1,548.3	1,411.4	1,519.6	1,540.0	1,555.5	1,495.3	1,519.4	1,557.3	1,514.5	1,531.2	18,235.0
Unbleached Kraft	1,453.5	1,352.7	1,416.4	1,289.4	1,394.4	1,419.1	1,428.4	1,363.5	1,377.5	1,424.3	1,402.0	1,410.5	16,731.7
Solid Bleached	11.2	12.3	13.9	11.6	13.9	10.8	17.2	14.1	11.9	13.1	14.0	13.7	157.7
Recycled	102.6	110.2	118.0	110.4	111.3	110.1	109.9	117.7	130.0	119.9	98.5	107.0	1,345.6
Corrugating Medium	707.4	609.5	671.9	659.8	692.5	700.2	682.7	696.1	680.3	685.0	682.3	705.7	8,173.4
Semichemical	477.2	409.4	457.6	442.6	471.7	471.7	452.5	475.0	452.8	459.0	454.0	483.6	5,507.1
Recycled	230.2	200.1	214.3	217.2	220.8	228.5	230.2	221.1	227.5	226.0	228.3	222.1	2,666.3
Other Containerboard for Dom Use	31.1	26.5	29.9	29.6	19.0	31.2	24.0	22.8	25.3	23.0	23.6	23.2	309.2
Containerboard for Export	245.0	218.1	292.2	260.7	258.4	227.0	244.7	261.7	236.9	260.4	291.2	306.6	3,102.9
Boxboard	1,126.8	1,039.7	1,142.1	1,122.9	1,120.9	1,115.2	1,083.6	1,134.2	1,121.7	1,140.5	1,122.1	1,122.4	13,392.1
Boxboard for Packaging for Dom Use	666.0	605.7	665.9	656.3	639.5	651.3	626.9	669.2	651.7	644.9	646.0	645.0	7,768.4
Folding Boxboard	503.9	459.6	502.9	493.0	485.5	486.4	478.0	505.3	487.4	495.4	486.2	479.6	5,863.2
Solid Bleached	146.2	141.4	152.3	151.1	151.2	157.6	151.1	161.8	147.3	152.0	153.9	162.2	1,828.1
Unbleached Kraft	112.6	92.3	106.7	104.2	95.8	96.2	99.2	97.0	105.7	97.2	90.9	99.5	1,197.3
Recycled	245.1	225.9	243.9	237.7	238.5	232.6	227.7	246.5	234.4	246.2	241.4	217.9	2,837.8
Set-up Boxboard for Dom Use	23.4	23.0	28.4	28.0	28.1	26.9	25.3	29.6	26.0	32.7	30.0	21.1	322.5
Milk Carton & Food Service Dom Use	138.7	123.1	134.6	135.3	125.9	138.0	123.6	134.3	138.3	116.8	129.8	144.3	1,582.7
Other Boxboard for Domestic Use	366.7	348.3	381.8	380.0	373.2	370.1	361.4	370.7	382.2	394.4	382.3	367.6	4,478.7
Boxboard for Export	94.1	85.7	94.4	86.6	108.2	93.8	95.3	94.3	87.8	101.2	93.8	109.8	1,145.0
Paperboard Production by Furnish	3,677.6	3,369.0	3,684.3	3,484.6	3,610.4	3,613.6	3,590.5	3,610.1	3,583.6	3,666.2	3,633.7	3,689.1	43,212.7
Unbleached Kraft	1,843.3	1,692.6	1,848.5	1,693.0	1,786.5	1,784.1	1,810.0	1,750.4	1,753.4	1,817.7	1,814.2	1,853.7	21,447.4
Semichemical	493.7	425.3	472.0	457.7	485.2	485.9	464.9	490.4	464.2	470.7	466.7	495.3	5,672.0
Solid Bleached Kraft	383.3	356.3	390.4	371.3	378.9	387.9	371.8	393.2	382.6	368.3	385.0	414.1	4,583.1
Recycled	957.3	894.8	973.4	962.6	959.8	955.7	943.8	976.1	983.4	1,009.5	967.8	926.0	11,510.2
Paperboard Production for Export	339.1	304.1	386.6	347.4	366.7	320.8	340.0	356.1	324.8	361.6	384.9	416.5	4,248.6
Unbleached Kraft	246.1	221.1	295.5	269.8	277.3	237.6	258.3	267.1	244.9	273.3	297.7	320.5	3,209.2
Semichemical	16.5	15.9	14.5	15.1	13.5	14.2	12.4	15.4	11.4	11.7	12.7	11.7	165.0
Bleached Kraft	68.9	61.1	71.7	56.7	67.7	61.5	62.1	65.2	64.4	71.4	67.0	77.4	795.0
Recycled	7.6	6.0	4.9	5.7	8.2	7.6	7.1	8.5	4.1	5.2	7.5	7.0	79.4
TOTAL PAPERBOARD PROD - NSA	3,677.6	3,369.0	3,684.3	3,484.6	3,610.4	3,613.6	3,590.5	3,610.1	3,583.6	3,666.2	3,633.7	3,689.1	43,212.7
TOTAL PAPERBOARD PROD - SA	3,539.6	3,587.9	3,566.6	3,552.1	3,606.8	3,602.8	3,555.0	3,525.5	3,594.4	3,615.6	3,711.6	3,663.5	43,121.2
PAPER AND PAPERBOARD - NSA	7,180.1	6,619.6	7,250.7	6,984.1	7,062.1	7,163.8	7,019.6	7,140.5	6,991.3	7,201.0	7,073.4	7,101.4	84,787.6
PAPER AND PAPERBOARD - SA	6,956.6	7,042.3	7,035.9	7,112.1	7,096.9	7,236.5	6,946.7	6,907.1	7,012.3	6,982.0	7,134.2	7,174.1	84,636.8

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 4
APRIL, 1994

PAPER GRADES	(P) MAR 1994	(R) FEB 1994	MAR 1993	THREE MONTHS 1994	THREE MONTHS 1993	% CHANGE YR TO DATE 1994/1993
Newsprint	599	552	593	1,767	1,761	0.3
Printing & Writing	2,140	1,908	2,035	6,003	5,905	1.7
Uncoated Groundwood (s)	172	144	150	460	428	7.4
Coated Groundwood (s)	366	339	382	1,052	1,080	-2.6
Coated Free Sheet (s)	343	322	315	973	922	5.6
Total Coated Paper (s)	708	661	697	2,025	2,002	1.1
Uncoated Free Sheet Paper (s)	1,120	981	1,045	3,121	3,074	1.5
Thin Paper (s)	11	12	18	36	46	-23.5
Cotton Fiber Paper (s)	14	12	15	39	41	-5.3
Bleached Bristols (s)	116	99	110	323	313	3.2
Tissue Paper	507	476	531	1,500	1,493	0.4
Total Pkg & Other Paper	412	362	407	1,167	1,160	0.6
Unbl. Kraft Paper (s)	199	182	207	580	583	-0.6
Bl. Kraft Paper (s)	36	32	33	102	98	3.7
Specialty Pkg. Paper	56	48	54	155	157	-1.1
Special Industrial Paper (s)	121	100	113	330	322	2.6
TOTAL PAPER	3,658	3,299	3,566	10,437	10,320	1.1
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,911	1,715	1,849	5,519	5,384	2.5
Unbleached Kraft Linerboard *	1,791	1,596	1,712	5,133	4,985	3.0
Other Unbl. Kraft Paperboard	120	118	137	386	399	-3.2
Semichemical Paperboard	511	365	472	1,369	1,391	-1.6
Bleached Paperboard	413	446	390	1,248	1,130	10.4
Recycled Paperboard	1,056	931	973	3,005	2,826	6.3
TOTAL PAPERBOARD	3,890	3,456	3,684	11,141	10,731	3.8
TOTAL PAPER & PAPERBOARD	7,548	6,755	7,251	21,578	21,050	2.5

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	MAR 1994	FEB 1994	MAR 1993	THREE MONTHS 1994	THREE MONTHS 1993	%CHANGE YR TO DATE 1994/1993
Total	701	623	771	2,034	2,037	-0.2%
Total Sulfate	685	612	757	1,989	1,999	-0.5%
Bleached Sulfate	663	596	738	1,935	1,949	-0.7%
Softwood	390	344	434	1,138	1,230	-7.4%
Hardwood	272	252	305	797	720	10.7%
Unbleached	22	16	19	55	50	9.2%
Sulfite Blch & Unblch	16	11	14	45	38	17.1%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,252	4,980	5,284	15,586	15,681	-0.6%
Recovered Paper	2,553	2,275	2,398	7,256	6,937	4.6%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

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INDUSTRY DATA May 6, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD -- Tons (000)			JAN	FEB	MAR		
Total Production (AFPA)........: excluding :	82,941	84,788	7,275	6,755	7,548	86,312	2.5
Total Seasonally Adjusted........: construction :			7,048	7,186	7,324	86,233	2.5
Imports (including Products).......: and wet :....E	12,406	13,831	1,124	1,084	1,108	13,263	-0.2
Exports (including Products).......: machine :....E	8,946	9,099	812	751	805	9,472	5.4
Apparent Consumption.........: grades :....E	86,401	89,368	7,360	7,519	7,627	90,024	1.8
Paper Production % Tonnage Capacity	91.1	91.4	89.7	93.3	93.2	92.0	
Paperboard Production % Tonnage Capacity	94.4	94.8	97.8	97.5	98.8	98.0	
PAPER, PAPERBOARD & PRODUCTS			JAN	FEB	MAR		
Imports.....:including Construction and :....E	12,543	13,971	1,135	1,094	1,118	13,390	-0.2
Exports.....: WMB Grades (excl. HPB) :....E	8,971	9,126	814	752	806	9,489	5.3
Market Wood Pulp Shipments - Tons (000)	8,291	8,386	710	623	701	8,136	-0.2
Wood Pulp Imports - Tons (000)....E	4,882	5,320	459	435	438	5,329	-4.9
Wood Pulp Exports - Tons (000)....E	6,421	5,851	477	366	458	5,206	-12.7
Raw Materials Consumption - Tons (000)							
Wood Pulp..............:consumption for:	56,873	62,356	5,355	4,980	5,252	62,345	-0.6
Recovered Paper.......:constuction & :	25,336	27,995	2,428	2,275	2,553	29,022	4.6
Total.............: WMB grades :	80,168	90,351	7,783	7,254	7,805	91,368	1.0
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	9,166	8,710	N/A	N/A	N/A
Employment (000)			JAN	FEB	MAR		
Paper and Allied Products..RS.......Total	687.3	680.2	672.8	672.0	670.9	671.9	-1.2
Pulp, Paper and Board Mills..RS.....Total	238.8	233.5	230.0	229.3	228.8	229.4	-2.2
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	13.07	13.42	13.56	13.61	13.62	13.6	3.1
Pulp, Paper Mills......RS	16.19	16.72	16.83	16.97	17.00	16.9	4.0
Paperboard Mills.......RS	16.24	16.77	16.99	16.94	16.97	17.0	3.2
New Plant & Equip. Expenditures, Paper & Allied Prod.			IIQ '93	IIIQ '93	IVQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.30	10.27	9.64	10.67	10.42 y	-1.0
Index of Output per Man-Hour (1987=100)			JAN	FEB	MAR		
:In Pulp, Paper:...Production Workers	113.2	118.2	119.4	121.0	124.0	121.5	3.5
:and Board Mills:...All Employees	112.9	117.9	119.5	121.2	124.4	121.7	4.2
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	10,621	10,876	10,876	129,492	-0.4
Pulp, Paper and Paperboard*	53,442	52,111	4,241	4,287	4,295	51,292	-1.7
Inventories (End of Period) - Total Industry*	13,387	13,487	13,394	13,463	13,450	13,450	-0.1
Pulp, Paper and Paperboard*	5,535	5,783	5,792	5,798	5,835	5,835	4.5
Paper & Allied Products Companies (Million $)			IIQ '93	IIIQ '93	IVQ '93	1993	
Sales (Corporations Only)	127,562	131,232	33,190	33,148	33,029	131,232	2.9
Earnings (Corporations Only)	1,213	(201)	815	(1,746)	4	(201)	N.M.
Depreciation (Corporations Only)	6,974	7,345	1,868	1,840	1,837	7,345	5.3
Net Worth (Corporations Only)	47,520	44,689	47,874	45,967	44,689	44,689	-6.0
Price Indexes (Bureau of Labor Statistics) 1982=100			JAN	FEB	MAR		
Pulp, Paper & Products, ex. Building Grades	129.4	127.6	126.8	126.9	127.4	127.0	-0.9
Wood Pulp	118.9	104.3	100.0	101.7	102.2	101.3	-6.6
Waste Paper	117.4	117.7	107.5	114.4	130.9	117.6	-6.5
Paper	123.2	123.8	122.7	122.4	121.9	122.3	-0.5
Paperboard	134.3	130.0	130.3	130.3	131.4	130.7	-1.0
Paper Demand (Indexed: 1987=100)			JAN	FEB	MAR		
Total Paper Production *	110.8	112.5	110.4	113.9	115.7	113.3	1.1
Paper New Supply *	102.5	106.2	103.5	105.3	106.8	105.2	0.0
Demand Indicators - (Weighted Average) *	101.0	105.6	106.4	107.1	107.7	107.1	2.1
Production of Nondurable Goods..RS......*....(21.2%)	106.6	108.7	109.6	110.1	111.0	110.2	2.0
Disposable Income..................*....(23.9%)	110.4	112.5	113.7	115.5	115.8	115.0	3.9
Total Printing and Publishing..RS..........*....(54.9%)	99.1	101.4	101.9	102.3	102.9	102.4	1.3
Paperboard Demand (Indexed: 1987=100)			JAN	FEB	MAR		
Total Paperboard Production *	111.9	115.2	117.0	118.0	120.7	118.6	3.8
Production for Domestic Use .....E	109.6	113.5	113.5	115.9	116.3	115.2	2.1
Demand Indicators - (Weighted Average) *	106.5	110.4	113.0	114.0	114.1	113.7	3.7
Production of Consumer Goods..RS........*....(62.06%)	105.9	108.8	110.6	111.8	111.5	111.3	2.4
Production of Equipment..RS..............*....(5.75%)	111.3	118.6	124.0	125.0	125.6	124.9	7.6
Production of Materials..RS..............*....(32.19%)	107.8	112.0	115.8	116.3	117.2	116.4	5.4
Market Data			JAN	FEB	MAR		
Newsprint Consumption (SAAR) - Tons (000)...R.....E	12,620	12,752	13,371	13,261	13,062	13,231	2.5
Newspaper Pub. and Printing Empl. Total(000)	451	452	451	450	450	450	-0.2
Magazine Advertising Pages (PIB, Inc.)	170,303	169,603	10,498	13,641	15,288	157,706	-0.0
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts..ex Wallpaper..Sales	51,016	53,814	4,753	4,484	5,328	14,565	14.9
Inventories (End of Period)	5,396	5,882	5,891	5,696	5,700	5,700	5.8
Fibre Box Data (Fibre Box Association)			JAN	FEB	MAR		
Fibre Box Shipments (Million square feet)	335,696	353,755	29,565	27,666	31,817	356,192	4.6
Container'bd Inventory at Mill & Plant (000 Tons)	2,918	2,501	2,651	2,597	2,551	2,551	-12.6
Retail Trade (Billion $)							
Total Retail Sales *	1,959	2,080	179	182	182	2,170	7.2
Nondurable Goods Stores Sales *	1,252	1,296	109	111	111	1,322	3.2
General Economic Data			JAN	FEB	MAR		
Total Industrial Production (Index 1987 = 100)*	106.5	111.0	114.4	115.0	115.6	115.0	4.8
Producer Prices (All Commodities, Index: 1982=100)	117.2	118.9	119.0	119.2	119.7	119.3	0.8
Consumer Prices (All Items-Urban Con.) (1982-4=100)	140.3	141.9	146.2	146.7	147.2	146.7	2.6
Gross Domestic Product - Annual Rate (Billion$) *			IIIQ '93	IVQ '93	IQ '94		
G.D.P. or Expenditure - Current $	6,038.5	6,377.9	6,395.9	6,526.5	6609.4	6,609.4	3.6
G.D.P. or Expenditure - 1987 $	4,986.3	5,136.1	5,138.3	5,225.6	5259	5,259.0	2.4
Paper & Paperboard Consumption - Pounds per Capita	676	692				690	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

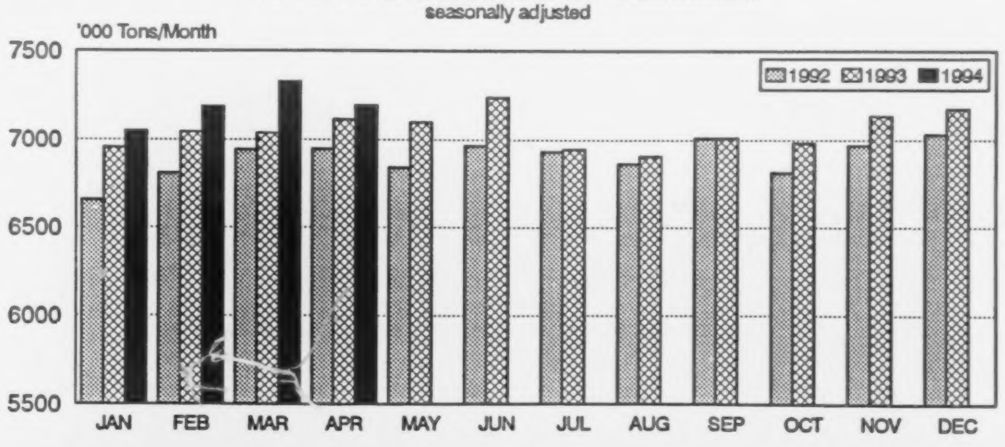
Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 72 No. 5 May 1994

HIGHLIGHTS

- Total paper and paperboard production was up 2.2% versus year-ago during the first four months of 1994. However, the industry's two major segments -- paper and paperboard -- contributed unevenly to that growth. Paper production exhibited a flat year-to-date performance through April, while paperboard production was up a solid 4.2%.
- Coated groundwood and uncoated free sheet shipments trailed their year-ago levels by substantial margins in April, leading to a weak year-to-date performance by overall printing-writing paper shipments, despite healthy gains in the coated free sheet and uncoated groundwood categories.
- Newsprint shipments to the domestic market lagged year-ago levels through April, partly reflecting publisher inventory drawdowns; newsprint exports, however, rose sharply.
- Paperboard production derived most of its recent impetus from the containerboard sector, which benefited from a surge in linerboard exports.
- Net after-tax profits of 29 publicly traded paper companies measured $225 million in the first quarter of 1994, which constituted an improvement relative to the losses recorded during the third and fourth quarters of 1993.
- A recent Internal Revenue Service report placed the 1990 asset base of the U.S. paper and allied products industry at $135 billion, representing 3.5% of total manufacturing assets.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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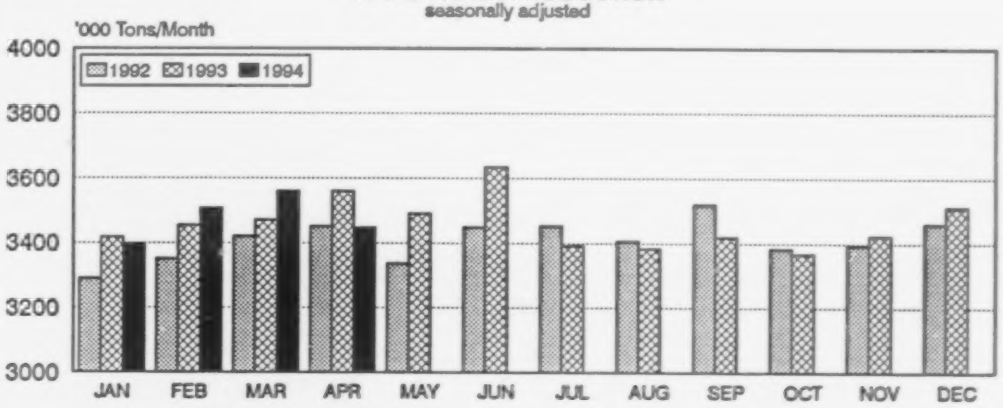
Production: Paper production (seasonally adjusted) declined more than 3% between March and April of 1994, reducing cumulative year-to-date growth to a fractional 0.1%. The loss of momentum spanned most of the major paper grades, but was particularly acute with respect to printing-writing papers.



TOTAL PAPER PRODUCTION
seasonally adjusted

Shipments of printing-writing paper trailed their year-ago volume by 5.1% in April and are off 0.1% for the year so far. New supply of these grades (domestic shipments plus imports less exports) posted a 1.2% advance through the first four months of 1994, reflecting continued strength in net imports. Census Bureau data indicate that imports of printing-writing papers exceeded their year-ago level by 17.7% in the first quarter of 1994, while exports increased just 1%.

Coated groundwood turned in the weakest performance within the printing-writing grade structure. Shipments of coated groundwood lagged year-ago volumes by 5.7% through April, with most of the drag attributable to reduced demand by the magazine industry. Shipments to commercial printers exceeded year-ago levels through April. New supply of coated groundwood was off 3.1% in the January-April period.

Shipments and new supply of uncoated free sheet held roughly even with year-ago levels through April -- with shipments down 0.1% and new supply up 0.1%. U.S. shipments of uncoated free to the office reprographics, business forms, envelope, and stationery end uses ranged below year-ago levels.

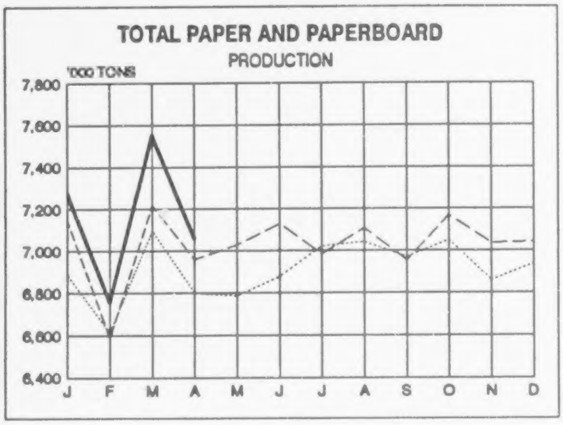
There were also some important areas of strength with respect to printing-writing paper demand. Coated freesheet shipments grew a respectable 3.3% through April and new supply rose 4.6% relative to the comparable 1993 period. Shipments of uncoated groundwood surpassed year-ago levels by 7.6% through April, which marked this year's strongest performance within the printing-writing grade structure.

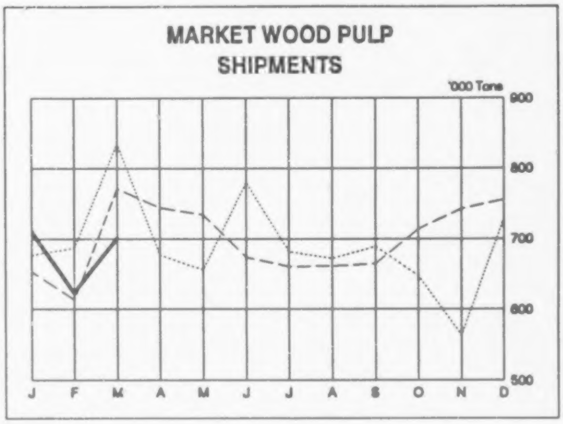
U.S. newsprint shipments exceeded year-ago levels by 0.8% in the first four months of 1994, reflecting a 0.6% decline in shipments to the domestic market and a 12.5% expansion in exports. Total shipments of newsprint to the U.S. from domestic, Canadian and offshore sources trailed their year-ago levels by 5.3% in the January-April period, with much of the falloff reflecting publisher inventory drawdowns. Newsprint inventoried at publishers or in transit declined from 43 days of supply in April 1993 to a 34 day level in April 1994, representing a 214,000 ton contraction.

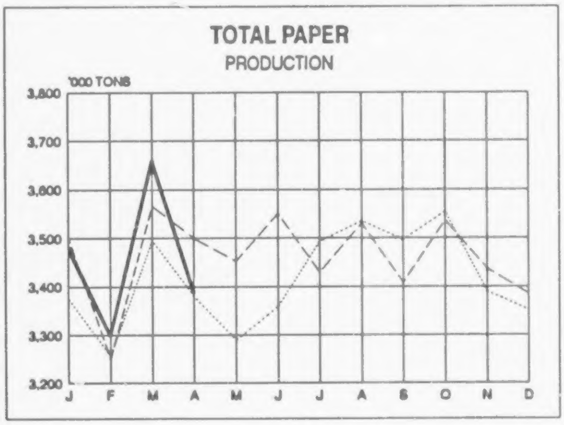
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		JAN	FEB	MAR (R)	APR (P)	Annual Rate Y-T-D	% Change From Same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
PAPER								
Newsprint - Production	7,082	7,068	616	552	599	594	7,082	0.1
- Shipments	7,125	7,043	612	558	596	594	7,079	0.8
Printing & Writing: Total Shipments	23,394	23,891	1,955	1,909	2,144	1,919	23,780	-0.1
Groundwood Paper - Shipments	1,609	1,751	144	144	172	152	1,834	7.6
- New Orders	1,655	1,835	155	150	179	162	1,940	4.6
- Unshipped Orders	164	175	144	155	163	172	172	-2.0
Coated Groundwood - Shipments	4,364	4,301	347	339	366	304	4,068	-5.7
Coated Free Sheet - Shipments	3,755	3,892	309	322	343	306	3,840	3.3
Total Coated Papers - Shipments	8,119	8,193	656	661	709	610	7,908	-1.5
- New Orders	8,151	8,293	645	626	722	729	8,164	-2.8
- Unshipped Orders	903	874	651	633	656	768	768	-12.1
Unctd Free Sheet - Shipments	12,170	12,345	1,021	981	1,124	1,026	12,454	-0.1
- New Orders	12,293	12,490	1,003	1,023	1,231	1,110	13,099	0.8
- Unshipped Orders	720	897	714	755	857	934	934	4.1
Thin Papers - Shipments	175	155	13	12	11	11	140	-20.2
Cotton Fiber Paper - Shipments	159	163	13	12	14	14	158	-5.5
Bleached Bristols - Shipments	1,163	1,285	108	99	116	106	1,286	1.2
Tissue Paper - Production	5,784	6,008	517	476	507	491	5,974	0.8
Total Packaging & Other Paper	4,713	4,608	393	362	408	385	4,647	0.0
Unbl. Kraft Paper - Shipments	2,380	2,259	199	182	196	185	2,287	-1.5
Bl. Kraft Paper - Shipments	403	400	34	32	35	33	402	4.8
Specialty Pkg. Paper - Production	687	644	51	48	56	53	624	-1.7
Special Industrial Paper - Production	1,244	1,304	109	100	121	114	1,335	2.1
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,575	3,481	3,299	3,659	3,389	41,484	0.1
TOTAL PAPER PRODUCTION - SEAS ADJ			3,396	3,506	3,559	3,448	41,726	0.1
PAPERBOARD - PRODUCTION								
Containerboard	29,374	29,821	2,631	2,393	2,699	2,545	30,803	4.9
Cont'bd For Dom Use for Fibre Boxes	25,763	26,409	2,275	2,083	2,341	2,240	26,816	3.3
Total Linerboard	17,785	18,235	1,552	1,430	1,594	1,534	18,332	1.8
Unbleached Kraft	16,850	16,732	1,418	1,305	1,446	1,402	16,712	1.1
Solid Bleached	150	158	12	12	13	14	155	4.9
Recycled	784	1,346	121	113	135	119	1,466	10.7
Corrugating Medium	7,978	8,173	724	653	746	705	8,484	6.8
Semichemical	5,582	5,507	478	433	494	473	5,632	5.1
Recycled	2,396	2,666	246	220	253	232	2,852	10.3
Other Containerboard for Dom Use	345	309	27	22	24	20	280	-20.4
Containerboard for Export	3,267	3,103	328	288	335	285	3,708	21.6
Boxboard	12,611	13,392	1,163	1,063	1,191	1,129	13,639	2.6
Boxboard for Packaging for Dom Use	7,390	7,768	676	607	672	649	7,811	0.4
Folding Boxboard	5,651	5,863	504	454	495	486	5,819	-1.0
Solid Bleached	1,888	1,828	149	140	153	157	1,793	1.1
Unbleached Kraft	1,143	1,197	120	96	96	100	1,240	-0.6
Recycled *	2,620	2,838	235	218	247	229	2,786	-2.5
Set-up Boxboard for Dom Use	283	323	25	22	29	28	315	2.2
Milk Carton & Food Service Dom Use	1,457	1,583	146	131	147	135	1,678	5.2
Other Boxboard for Domestic Use	4,158	4,479	405	371	407	376	4,676	5.5
Boxboard for Export	1,063	1,145	82	86	112	104	1,151	6.4
Paperboard Production by Furnish	41,985	43,213	3,794	3,456	3,890	3,673	44,442	4.2
Unbleached Kraft	21,658	21,447	1,894	1,715	1,911	1,814	22,000	3.6
Semichemical	5,762	5,672	494	446	511	490	5,823	5.0
Solid Bleached Kraft	4,503	4,583	389	365	413	396	4,688	4.1
Recycled	10,062	11,510	1,017	931	1,056	972	11,930	5.0
Paperboard Production for Export	4,329	4,249	410	374	447	389	4,859	17.6
Unbleached Kraft	3,320	3,209	328	291	345	292	3,770	21.7
Semichemical	180	165	16	14	17	17	192	3.0
Bleached Kraft	756	795	60	62	75	68	797	2.8
Recycled	72	79	6	7	9	11	101	39.6
TOTAL PAPERBOARD PRODUCTION - UNADJ	41,985	43,213	3,794	3,456	3,890	3,673	44,442	4.2
TOTAL PAPERBOARD PROD - SEAS ADJ			3,651	3,681	3,766	3,744	44,529	4.2
PAPER AND PAPERBOARD - UNADJ	82,958	84,788	7,275	6,755	7,549	7,062	85,926	2.2
PAPER AND PAPERBOARD - SEAS ADJ			7,048	7,187	7,325	7,192	86,255	2.1

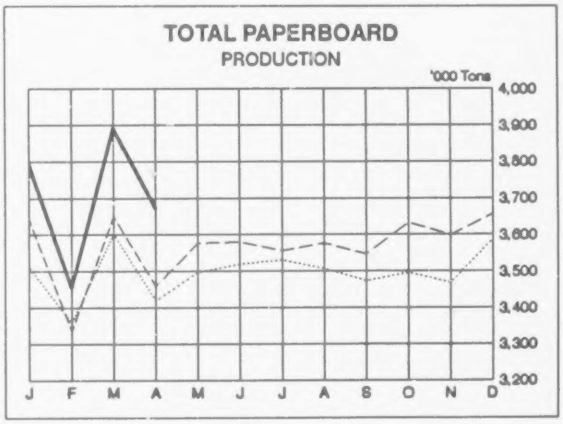
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

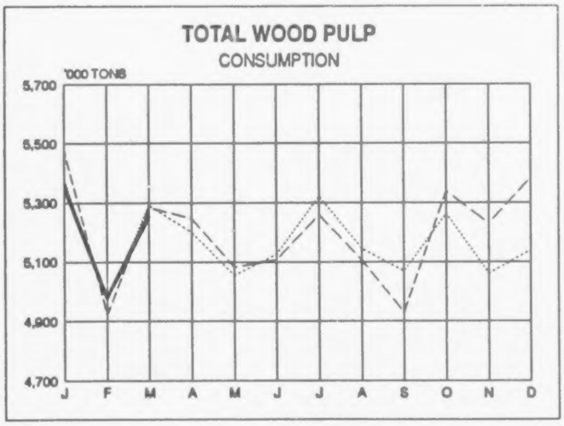
* Container Chip and Filler reclassified into Recycled Corrugating Medium

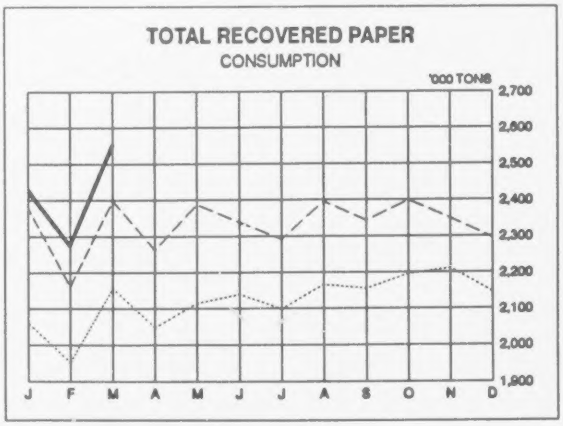

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

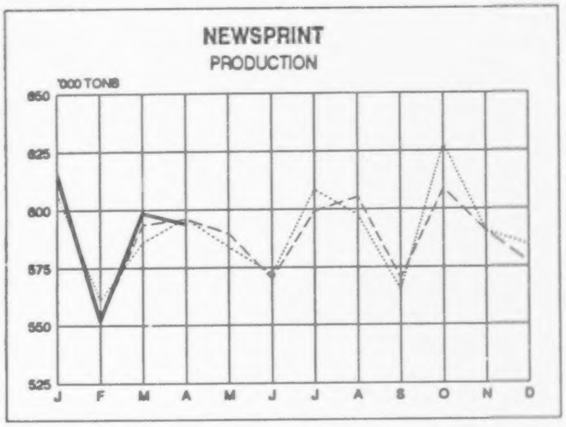
1992 .... 1993 ------ 1994 ——

WOOD PULP STATISTICS (Thousands of Tons)		YEAR		JAN	FEB	(R) MAR	(P) APR	Annual Rate Y-T-D	% Change From Same Period Last Year
		1992	1993	1994	1994	1994	1994	1994	
TOTAL WOOD PULP									
Total Wood Pulp	Production	63,960	62,908	5,474	4,969	5,299	5,388	63,392	0.5%
(Paper Grades)	Imports	4,882	5,320	459	435	482	459	5,505	-0.4%
	Exports	6,421	5,850	477	366	564	469	5,632	-6.5%
	New Supply	62,421	62,377	5,456	5,038	5,217	5,377	63,265	1.3%
Paper Grades	Production	53,358	52,738	4,615	4,198	4,461	4,547	53,461	1.4%
Chemical Pulp	Imports	4,570	4,889	419	395	447	420	5,043	-0.1%
	Exports	6,321	5,747	469	360	556	462	5,539	-5.4%
	New Supply	51,607	51,880	4,565	4,233	4,352	4,505	52,965	2.0%
Groundwood and	Production	6,501	6,158	520	463	495	502	5,940	-6.2%
Thermo-Mech.	Imports	312	431	40	40	36	38	462	-3.5%
	Exports	100	104	8	7	8	8	93	-45.0%
	New Supply	6,713	6,485	551	496	523	533	6,308	-5.0%
Semi-Chemical	Production	4,101	4,012	340	309	343	339	3,991	-0.7%
	Imports								
	Exports								
	New Supply	4,101	4,012	340	309	343	339	3,991	-0.7%
MARKET WOOD PULP									
Paper Grades	Production	8,670	8,117	721	644	662	677	8,113	-0.5%
Chemical Pulp	Imports	2,946	3,132	284	236	307	289	3,348	5.9%
	Exports	5,906	5,571	457	399	460	495	5,432	-0.7%
	New Supply	5,709	5,678	548	481	510	471	6,029	3.2%

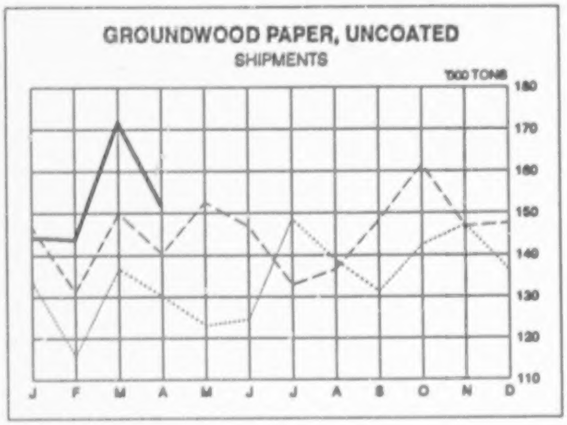
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		JAN	FEB	(R) MAR	(P) APR	Annual Rate Y-T-D	% Change From Same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,800	7,220	7,849	7,724	91,780	1.5%
Total Wood Pulp	62,011	62,356	5,373	4,945	5,295	5,367	62,943	0.3%
Recovered Paper	25,440	27,995	2,428	2,275	2,553	2,357	28,838	4.5%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	225	198	197	189	204	198	198	0.4%
Producers' Market Inventories	530	818	664	685	647	586	586	-28.3%
Consumers' Purchased Inventories *	434	384	370	378	373	N/A	N/A	N/A
Recovered Paper at Paper & Bd. Mills	1,073	1,149	974	938	969	968	968	-15.7%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	35	28	28	29	26	26	-25.7%

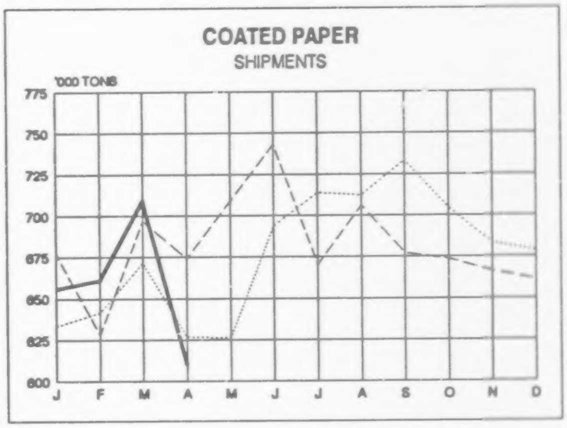
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFPA. N/A - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.



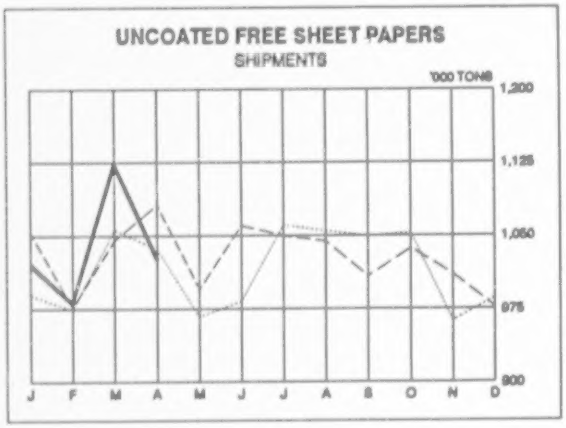
NEWSPRINT
PRODUCTION



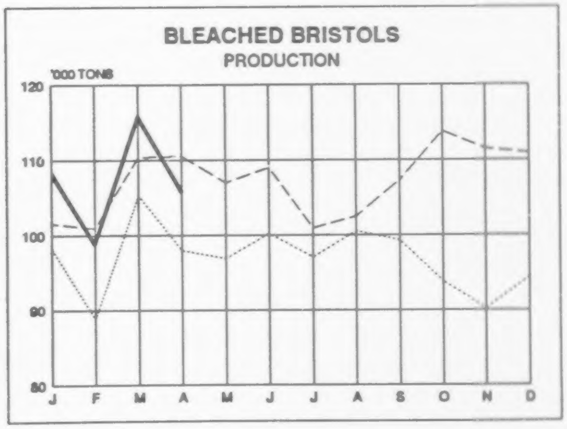
GROUNDWOOD PAPER, UNCOATED
SHIPMENTS



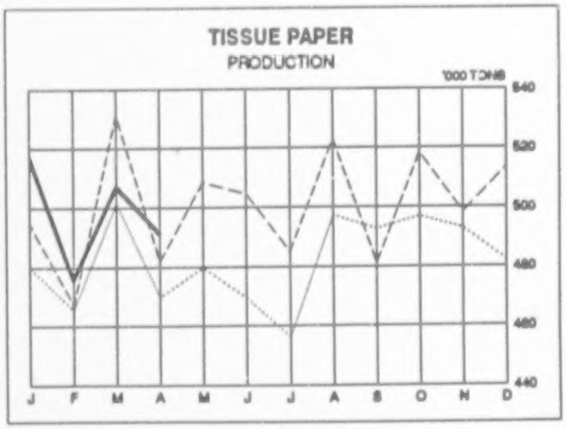
COATED PAPER
SHIPMENTS



UNCOATED FREE SHEET PAPERS
SHIPMENTS



BLEACHED BRISTOLS
PRODUCTION



TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords		YEAR 1992	YEAR 1993	Dec 1993	Jan 1994	Feb 1994	Mar 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	103,891	106,082	9,032	8,958	8,881	9,103	107,768	1.7
	- Total Consumpt	104,598	105,275	9,004	9,166	8,710	8,997	107,492	0.6
	- Residues *	39,784	43,134	3,648	3,600	3,446	3,758	43,216	2.0
	- Inventories	5,314	5,989	5,989	5,714	5,838	5,771	5,771	11.4
So. Atlantic	- Total Receipts	33,704	34,958	2,893	2,909	2,835	2,933	34,708	0.4
	- Total Consumpt	34,015	34,693	2,898	3,010	2,862	2,951	35,292	1.3
	- Residues *	13,173	14,916	1,249	1,263	1,241	1,261	15,060	2.8
	- Inventories	1,199	1,503	1,503	1,396	1,357	1,315	1,315	18.4
Northeast	- Total Receipts	7,511	7,791	664	644	694	706	8,176	-1.1
	- Total Consumpt	7,341	7,751	658	667	646	656	7,876	0.0
	- Residues *	1,800	1,782	150	145	151	156	1,808	1.8
	- Inventories	347	330	330	314	360	383	383	-9.7
South Central	- Total Receipts	42,665	44,542	3,872	3,757	3,720	3,903	45,520	5.2
	- Total Consumpt	42,956	44,039	3,875	3,829	3,706	3,849	45,536	2.4
	- Residues *	15,544	17,596	1,485	1,437	1,404	1,577	17,672	2.7
	- Inventories	1,736	2,128	2,128	1,986	1,981	1,912	1,912	23.4
North Central	- Total Receipts	7,310	7,419	706	703	789	682	8,696	5.2
	- Total Consumpt	7,339	7,508	654	651	623	668	7,768	0.2
	- Residues *	1,139	1,118	145	86	90	102	1,112	4.1
	- Inventories	813	721	721	776	927	942	942	-0.6
West	- Total Receipts	12,701	11,372	897	945	843	879	10,668	-8.5
	- Total Consumpt	12,947	11,284	919	1,009	873	873	11,020	-7.7
	- Residues *	8,128	7,722	619	669	560	662	7,564	-1.4
	- Inventories	1,219	1,307	1,307	1,242	1,213	1,219	1,219	6.1

* - Consumption of Residues in Cord Equivalents.

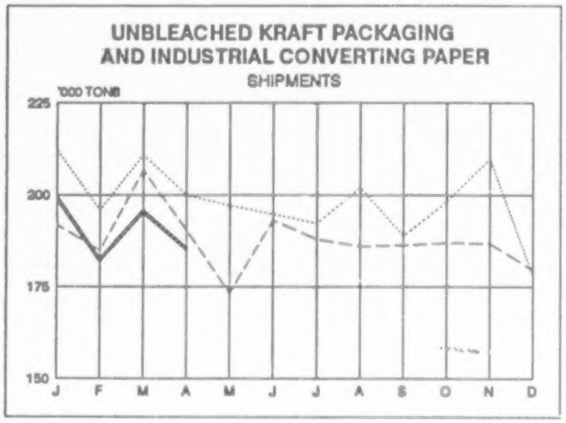
SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA YEAR 1993 Tons	 YEAR 1993 ($000's)	 February 1994 Tons	 February 1994 ($000)	 March 1994 Tons	 March 1994 ($000)	Annual Rate Y-T-D 1994 Tons	% Change From same Period Last Year
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M
Pulpwood chips	360,080	16,098	8,506	429	10,482	542	120,433	-68.1
Wood Pulp, Total	4,662,246	1,608,657	409,558	134,802	409,981	139,372	4,894,923	-0.1
Waste Fibrous Materials, Total	127,838	19,399	19,157	1,830	18,655	1,947	207,052	50.7
Paper, Board & Products, Total	11,548,456	5,681,810	922,800	448,406	1,043,726	519,356	11,678,118	0.0
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	898,575	399,672	1,017,583	464,091	11,374,519	-0.6
Paper, Paperboard & Products	11,427,296	5,653,489	913,560	446,002	1,033,346	516,711	11,561,717	-0.1
Paper & Paperboard, Only	11,170,712	5,129,264	889,334	397,267	1,007,202	461,446	11,258,118	-0.7
Paper, Total	10,249,618	5,221,372	801,456	365,620	920,585	428,859	10,190,768	-2.8
Newsprint	7,630,129	3,546,762	591,712	235,710	676,465	281,084	7,518,427	-5.8
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	184,376	107,257	208,685	120,871	2,324,661	6.9
Pack. & Ind. Conv. Paper	204,576	125,317	14,971	9,634	22,281	12,308	215,444	5.1
Special Industrial Paper	60,409	101,041	4,800	8,839	5,451	8,873	59,819	-1.7
Tissue Paper	73,952	56,474	5,597	4,180	7,703	5,723	72,418	15.6
Paperboard, Total	921,094	343,269	87,878	31,648	86,617	32,587	1,067,350	25.6
Convtd Paper&Paperbd Products	256,584	556,374	24,225	48,734	26,143	55,265	303,599	29.3
Wet Machine Board	800	749	69	68	45	42	873	-8.1
Construction Paper & Board	120,361	30,217	9,171	2,337	10,336	2,603	115,527	11.9

	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	279,362	8,974	271,886	8,783	3,390,056	-15.6
Pulpwood chips	363,398	18,332	46,277	2,132	67,416	2,919	625,502	111.3
Wood Pulp, Total	313,005	133,450	30,114	11,342	30,701	11,915	341,705	-12.2
Cotton Pulp & Other Pulp	5,710	3,341	375	299	399	337	3,624	-69.8
Waste Paper	1,182,448	142,952	92,066	10,990	123,120	13,956	1,201,018	2.7
Paper, Board & Products, Total	1,710,071	1,658,778	131,184	140,067	158,897	162,915	1,687,675	2.2
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	92,273	75,929	114,197	89,743	1,202,390	1.6
Paper, Paperboard & Products	1,704,072	1,656,494	130,854	139,938	158,447	162,698	1,683,645	2.1
Paper & Paperboard, Only	1,225,877	928,862	91,944	75,801	113,746	89,526	1,198,360	1.4
Paper, Total	671,502	687,704	53,347	54,969	60,289	61,534	685,359	1.3
Newsprint	14,376	6,997	805	440	1,127	614	9,732	-48.7
Printing, Writing & Rel. Pap.	480,105	470,309	38,040	37,291	44,288	42,734	506,304	2.8
Pack. & Ind. Conv. Paper	56,540	42,700	4,266	2,968	4,544	3,556	52,208	-6.9
Special Industrial Paper	85,450	133,523	6,273	10,666	6,852	11,435	75,784	-5.8
Tissue Paper	35,031	34,175	3,963	3,604	3,479	3,195	41,332	44.8
Paperboard, Total	554,375	299,348	38,597	20,832	53,457	27,992	513,001	1.6
Convtd Paper&Paperbd Products	478,195	754,164	38,911	64,138	44,701	73,172	485,285	3.9
Wet Machine Board	0	0	0	0	0	0	0	N.M
Construction Paper & Board	5,999	2,402	330	128	451	216	4,030	61.7

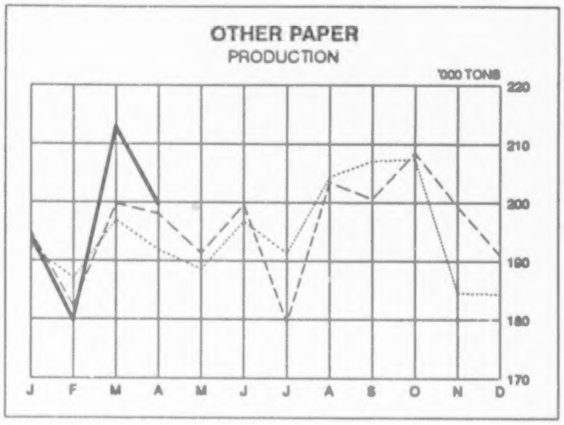
SOURCE: Bureau of Census, Department of Commerce.

N.M. - Not Meaningful



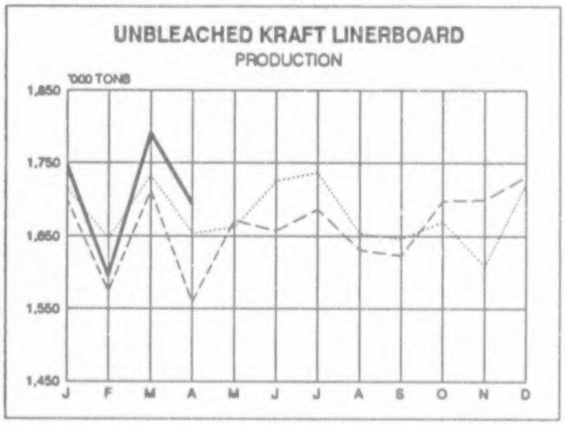
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



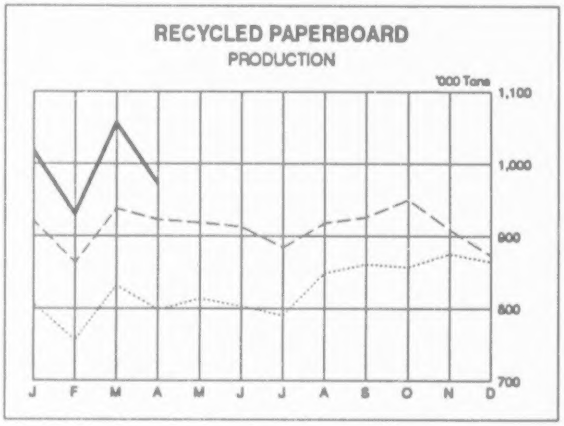
OTHER PAPER

PRODUCTION



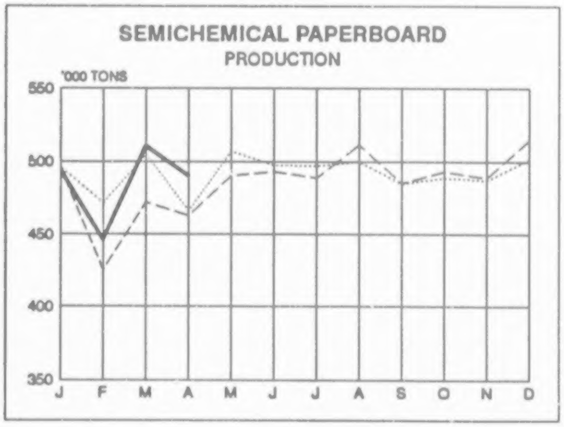
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



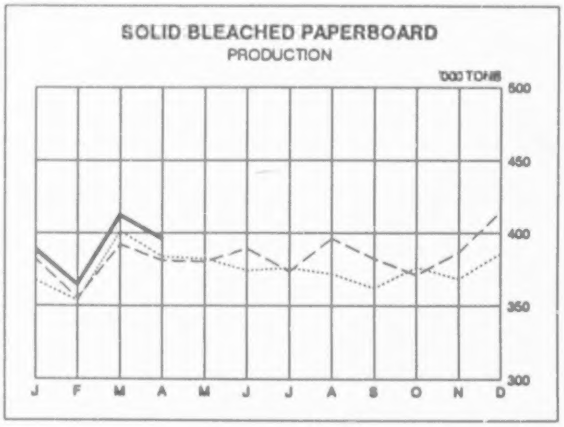
RECYCLED PAPERBOARD

PRODUCTION



SEMICHEMICAL PAPERBOARD

PRODUCTION



SOLID BLEACHED PAPERBOARD

PRODUCTION

1992 .... 1993 ------ 1994 ——

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		February 1994		March 1994		Annual Rate YTD 1994	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	151,486	1,356	42,465	1,866	844,155	122.8
Total All Imports	19,529,543	10,413,422	1,552,675	767,739	1,761,070	895,588	19,726,205	2.4
Wood Pulp Total	5,412,797	1,860,163	438,243	143,528	490,842	167,766	5,585,920	-2.0
Waste Paper	137,835	22,285	19,589	1,889	19,106	2,072	212,542	47.4
Other Fibrous Materials	8,143	4,425	719	360	557	197	8,474	2.2
Paper Board & Products Total	13,970,768	8,526,549	1,094,125	621,962	1,250,565	725,553	13,919,269	3.7
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,042,738	511,097	1,198,585	605,058	13,312,074	2.6
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,083,949	618,720	1,238,540	721,356	13,785,965	3.7
Paper & Paperboard Only	13,330,595	7,195,151	1,032,563	507,854	1,186,560	600,862	13,178,770	2.5
Paper Total	12,250,220	6,753,643	935,937	471,575	1,085,973	560,711	11,978,266	0.9
Newsprint	7,783,906	3,593,326	594,602	236,839	679,065	282,055	7,580,861	-6.5
Printing & Writing	3,984,250	2,570,081	303,475	188,087	357,105	222,087	3,890,296	17.7
Uncoated Groundwood	1,733,551	1,001,611	145,125	81,333	164,603	90,669	1,745,701	18.1
Coated Print & Impreg. Pap.	1,136,928	823,565	73,511	53,310	93,528	69,224	1,038,551	18.9
Uncoated Free Sheet	991,249	618,187	75,429	44,167	87,484	50,818	990,216	16.2
Thin (except Cigarette)	6,759	10,183	542	767	412	683	4,899	-44.7
Bristols	115,764	116,534	8,869	8,511	11,078	10,893	110,929	20.9
Total Pkg & Other Paper	399,411	527,120	31,412	41,857	41,240	50,247	424,238	6.6
Unbleached Kraft Paper	177,342	93,702	12,956	6,689	19,801	9,719	193,170	10.1
Other Pkg. & Indust. Paper	222,070	433,418	18,456	35,169	21,439	40,528	231,068	3.8
Tissue	82,653	63,116	6,449	4,791	8,562	6,321	82,870	27.4
Paperboard, Total	1,080,375	441,508	96,626	36,279	100,588	40,150	1,200,504	22.6
Kraft Paperboard	217,945	81,638	21,477	8,175	21,712	8,292	250,639	23.1
Semi-Chemical Corrugating	267,438	65,898	30,015	7,519	26,972	6,926	367,049	60.2
Other Paperboard	594,992	293,972	45,135	20,585	51,904	24,933	582,816	6.7
Convtd Paper&Paperbd Products	499,972	1,283,698	51,386	110,866	51,980	120,495	607,195	38.9
Paper Products, Total	355,638	1,007,231	29,789	83,604	32,396	91,640	378,614	22.6
Paperboard Products, Total	144,334	276,467	21,597	27,261	19,584	28,855	228,581	78.1
Wet machine Board	924	842	79	76	52	50	943	-19.1
Construction Paper & Board E	139,278	46,857	10,096	3,167	11,973	4,147	132,361	7.4
Notes								
Other: No Weight Avail. ($000)		170,733		9,964		9,451	116,292	-0.1
Total Imports Incl. Other($000)		10,584,154		777,703		905,039	9,999,249	2.4

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		February 1994		March 1994		Annual Rate YTD 1994	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	282,509	9,044	276,728	8,845	3,453,320	-14.9
Pulpwood Chips	5,248,132	423,288	497,961	38,998	462,858	37,884	5,282,949	8.6
Total All Exports	21,637,893	9,527,479	1,627,968	725,646	2,103,064	933,039	22,405,127	2.6
Wood Pulp,Total	6,499,065	2,369,414	413,004	147,840	630,624	230,194	6,319,628	-5.9
Cotton Pulp and Other Pulp	124,656	83,505	9,093	7,014	7,362	6,396	95,741	-37.3
Waste and Old Paper	5,888,369	533,240	453,398	41,121	536,867	50,176	6,012,968	1.0
Paper, Board & Products,Total	9,125,803	6,541,320	752,473	529,671	928,212	646,273	9,976,790	10.7
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	625,514	335,327	778,983	410,024	8,336,350	11.9
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	750,971	529,013	926,810	645,405	9,960,196	10.8
Paper & Paperboard, Only	7,494,893	4,224,234	624,012	334,669	777,580	409,156	8,319,756	12.0
Paper, Total	2,586,993	2,066,927	214,949	165,840	259,911	198,103	2,775,302	6.2
Newsprint	1,013,146	496,060	75,674	34,856	97,824	44,519	1,015,977	12.1
Printing & Writing	1,120,439	980,400	100,247	82,897	118,900	95,804	1,281,450	1.0
Uncoated Groundwood	109,386	75,504	7,315	6,126	9,236	6,800	99,664	-15.5
Clay Coated Paper	342,036	282,860	30,794	24,148	33,347	26,563	371,418	-4.1
Uncoated Free Sheet	425,310	435,213	42,996	38,803	56,510	47,279	572,424	16.5
Other Printing & Writing	243,707	186,823	19,142	13,821	19,806	15,161	237,944	-12.6
Total Pkg. & Other Paper	379,092	501,465	30,905	38,124	36,309	47,536	395,270	5.6
Unbleached Kraft	130,748	66,917	9,746	4,935	12,879	6,450	131,740	7.5
Other Pkg. & Indust. Paper	248,345	434,548	21,159	33,189	23,430	41,086	263,530	4.7
Tissue	68,315	89,002	8,123	9,963	6,879	10,245	82,605	27.5
Paperboard, Total	4,907,901	2,157,307	409,063	168,830	517,670	211,053	5,544,454	15.2
Solid Wood Pulp	4,645,501	2,000,622	389,974	157,579	492,636	197,789	5,290,448	16.4
Total Linerboard	2,995,058	931,801	260,881	76,493	316,418	93,288	3,497,124	20.5
Bleached Kraft Linerboard	14,552	10,840	142	93	386	251	4,785	24.2
Unbleached Kraft Linerbd	2,980,506	920,961	260,740	76,400	316,033	93,038	3,492,338	20.5
Other Unbleached Kraft	505,984	255,357	36,540	18,872	44,777	21,902	479,085	-2.8
Other Bleached Kraft	1,025,864	776,502	83,336	59,462	119,881	78,909	1,167,238	14.3
Semi-Chemical Corrugating	118,595	36,964	9,217	2,752	11,559	3,690	147,002	13.7
Recycled Paperboard	262,399	156,685	19,088	11,251	25,034	13,263	254,006	-5.8
Convtd Paper&Paperbd Products	1,604,427	2,304,242	126,959	194,344	149,229	236,249	1,640,440	5.0
Paper Products, Total	750,263	1,469,052	61,225	128,283	67,007	148,307	746,302	12.8
Paperboard Products, Total	854,164	835,190	65,734	66,060	82,222	87,942	894,138	-0.7
Wet Machine Board	596	400	24	18	0	0	187	-79.3
Construction Paper & Board E	25,886	12,445	1,478	640	1,402	869	16,407	-13.4
Notes								
Other: No Weight Avail. ($000)		86,234		6,283		6,600	73,121	0.9
Total Exports Incl. Other($000)		9,613,713		731,930		939,638	9,847,936	2.6

SOURCE: Bureau of Census. U.S. Department of Commerce. E - includes estimate of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1992	YEAR 1993	JAN 1994	FEB 1994	MAR 1994	APR 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.2	127.6	126.8	126.9	127.4	127.8	127.2	-0.8
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.1	127.1	127.3	127.7	127.3	-0.7
Total Wood Pulp	118.9	104.3	100.0	101.7	102.2	106.4	102.6	-5.0
Total Paper	123.2	123.8	122.7	122.4	121.9	121.2	122.1	-0.9
Writing Paper, exc. Newsprint	120.2	120.5	119.2	118.7	117.5	116.4	118.0	-1.2
Newsprint	109.9	112.1	109.7	109.3	110.4	110.3	109.9	-2.2
Total Paperboard	134.3	130.0	130.3	130.3	131.4	134.6	131.7	0.0
Total Paper and Paperboard *	126.7	125.8	125.1	124.9	124.9	125.4	125.1	-0.6
Converted Products	134.8	133.7	133.4	133.4	133.6	133.5	133.5	-0.6
Waste Paper	117.4	117.7	107.5	114.4	130.9	132.4	121.3	-3.8
All Commodities	117.2	118.9	119.0	119.2	119.7	119.8	119.4	0.7
Industrial Commodities	117.4	119.0	118.5	118.7	119.3	119.4	119.0	0.1

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

SELECTED DATA FROM 1990 CORPORATE INCOME TAX RETURNS
('000 Dollars)

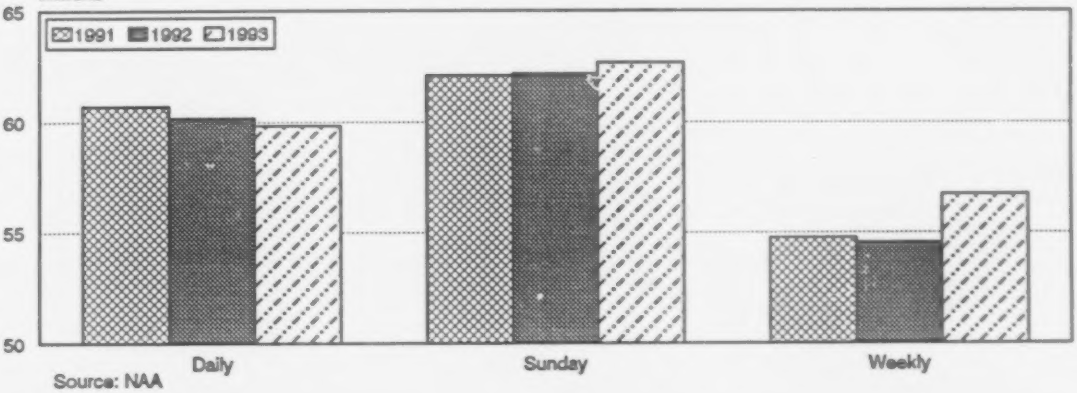
	PAPER & ALLIED PRODUCTS	LUMBER & WOOD PRODUCTS	FOREST PRODUCTS TOTAL	MANUFACTURING	ALL INDUSTRIES
NUMBER OF RETURNS	3,627	18,329	21,956	301,669	3,716,650
ASSETS					
TOTAL ASSETS	$135,321	$70,606	$205,927	$3,921,324	$18,190,068
CASH & ACCOUNTS RECEIVABLE	17,755	8,665	26,420	933,446	4,969,102
INVENTORIES	11,754	7,514	19,268	379,420	893,586
LAND	1,810	989	2,799	45,127	209,579
LIABILITIES					
CURRENT LIABILITIES	35,796	13,071	48,867	1,219,334	8,094,415
MORTGAGES, NOTES & BONDS PAYABLE IN MORE THAN ONE YEAR	33,171	22,357	55,528	821,830	2,665,098
BUSINESS RECEIPTS	115,831	76,290	192,121	3,434,141	9,860,442
DEDUCTIONS					
COST OF SALES	77,920	57,260	135,180	2,377,226	6,610,770
INTEREST PAID	4,169	2,515	6,684	151,215	825,372
DEPRECIATION	6,250	2,719	8,969	121,140	332,782
TOTAL INCOME TAXES PAID	1,845	631	2,476	38,971	96,403

Source: Internal Revenue Service, 1990 Statistics of Income.

While total shipments of newsprint to the U.S. and Canadian markets have lost ground so far this year, North American exports have surged 21% relative to year-ago through April.

Data reported by the Newspaper Association of America (NAA) indicated that daily newspaper circulation has declined during recent years while Sunday circulation and weekly newspaper sales have gained ground (see graph below). Specifically, daily circulation eased 0.6% in 1993, according to the NAA, and has declined 4.6% since 1988. On the other hand, Sunday circulation grew 0.8% in 1993 and rose 1.9% since 1988. Weekly newspapers have registered the strongest circulation gains -- up 4.0% in 1993 and 9.8% since 1988. On a size-adjusted basis -- Sunday editions are about three time the size of daily newspapers -- newspaper circulation rose fractionally in 1993 and is off by about 1% since 1988.

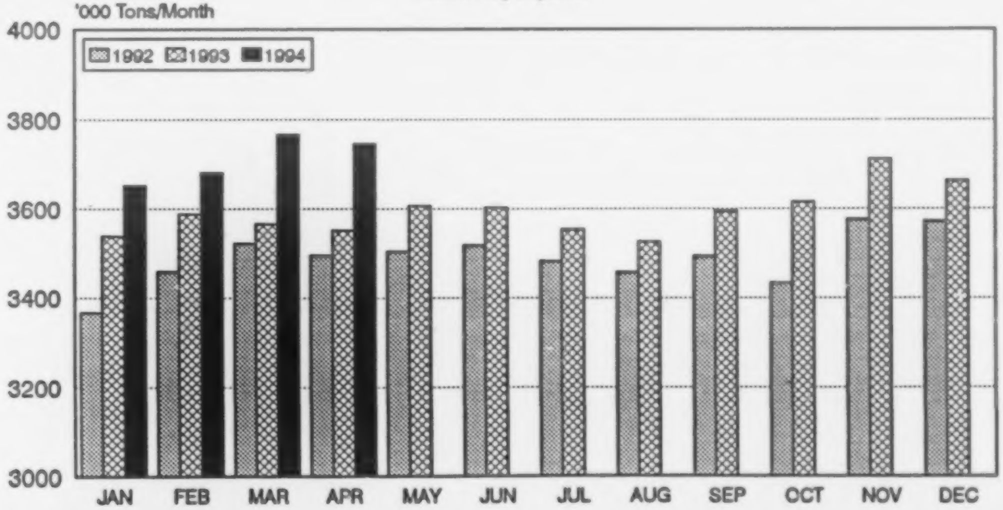
Newspaper Circulation Trends



Source: NAA

Paperboard: Paperboard production has traced out a strong expansionary pattern so far this year. Although seasonally-adjusted April production was off slightly relative to March, it exceeded its year-ago level by 5.4%. Cumulative year-to-date paperboard production posted a 4.2% advance through April. The strength was rooted in solid domestic demand growth and a dramatic rebound in exports of linerboard.

TOTAL PAPERBOARD PRODUCTION
seasonally adjusted



Containerboard production (January-April) outpaced its year-ago rate by nearly 5%. Much of the impetus derived from a 22% rebound in containerboard production for export, reflecting widespread increases in demand for U.S. linerboard from Europe, Asia, and Central America. Domestic demand also contributed to containerboard production growth, with box shipments up 3.9% through the first four months of 1994. Box shipments, which rose 4.9% in 1993 and 5.4% in 1994, have been exhibiting above-trend growth for more than two years now.

The growth of boxboard production, up 2.6% through April, has lost considerable momentum relative to 1993 when it surged 6.2%. The principal drag has come from folding boxboard production for domestic use, where year-to-date production was off 1.0%. Other categories of folding boxboard production have moved ahead nicely so far this year: production of milk carton and food service board is running 5.2% above its year-ago level; other boxboard, which includes gypsum wallboard facings, is up 5.5%. Boxboard for export is ahead a handsome 6.4% through the first four months of 1994 relative to the same period in 1993.

WOOD PULP

Total U.S. wood pulp production through April edged up 0.5% compared with its year-ago volume. The entire gain, however, was attributable to higher production of paper grade chemical wood pulp. Mechanical and semichemical wood pulp production both registered year-to-date losses (see page 5 for details).

Chemical paper grade market wood pulp production eased 0.5% through April as shipments declined 0.1%. Within the market pulp segment, shipments of bleached hardwood sulfate grades rose 9.5% while bleached sulfate softwood shipments trailed their year-ago performance by 6.0%. Producer inventories of chemical paper grade market pulp declined to 26 days of supply in April, down from 41 days of supply at the end of 1992, 35 days of supply at the close of 1993, and 29 days of supply at the end of March 1994.

The industry's consumption of fibrous raw materials rose through the first four months of 1994, with wood pulp use increasing 0.3% and recovered paper consumption up 4.5%.

SALES AND EARNINGS

Sales of the 29 publicly held paper and allied products companies, which account for about two-thirds of the industry total, measured $21.9 billion in the first quarter of 1994, up 1.3% from the same period last year. Net profits after taxes were reported at $201 million in the first quarter, a 42.8% decline from year-ago levels but a major improvement from the consecutive losses recorded during the third and final quarters of 1993.

Adverse trade patterns affecting the printing-writing paper sector and production/distribution problems owing to severe winter weather in many parts of the nation hindered the industry's first quarter profits performance. The implementation of SFAS 112 (accounting related to post-employment benefits) also resulted in some charges against income, although so far, the impact has been far less significant than

FASB 106 (accounting for post-retirement benfits other than pensions) and FASB 109 (accounting for income taxes), which affected both 1992 and 1993 financial results.

On a positive note, many companies began to realize productivity and efficiency improvements resulting from cost cutting measures undertaken in 1993. The table below outlines the current financial statistics for the paper and allied products group.

Paper and Allied Products Companies
Sales and Earnings
(29 Companies)

	Sales			Net Profit After Taxes *			Net Profit/Sales	
	1994 (Thousand Dollars)	1993 (R)	94/93 % Change	1994 (Thousand Dollars)	1993 (R)	94/93 % Change	1994 %	1993 %
First Quarter	21,894,074	21,620,105	1.3%	200,997	351,685	-42.8%	0.9%	1.6%
Second Quarter		22,396,522			293,476			
Third Quarter		22,080,255			(1,992,119)			
Fourth Quarter		22,319,125			(178,108)			
Year to Date	21,894,074	21,620,105	1.3%	200,997	351,685	-42.8%	0.9%	1.6%

R = Revised N.M. = Not Meaningful

* Includes effects of accounting changes and extraordinary items (when provided on a quarterly basis).

1990 CORPORATE INCOME TAX RETURNS

The Internal Revenue Service recently released its Statistics of Income 1990 Corporation Income Tax Returns, which presents detailed income statement and balance sheet data by industry. (See summary table on the bottom of page 10).

According to the report, the forest products industry had an asset base of $206 billion in 1990, which represented 5.3% of total manufacturing assets. Assets of the paper and allied products industry were reported at $135 billion -- increasing at an average annual rate of 11.5% since 1980, while assets of the wood products sector came to $71 billion, an average annual gain of 5% from a decade ago.

Business receipts of paper and allied products companies totalled some $116 billion in 1990, up from $58 in 1980. Lumber and wood products corporations brought in nearly $76 billion in business receipts during the 1990 income year, a 51% gain relative to ten years earlier. Overall, the forest products group accounted for 5.6% of all manufacturing business receipts in 1990.

Income taxes paid by the paper and allied products industry grew from less than $1 billion in 1980 to more than $1.8 billion in 1990 and accounted for 4.7% of total income taxes paid by all manufacturing versus 2.8% in 1980. Lumber and wood products also witnessed an increase in its proportion of manufacturing income taxes, from 1% of the total in 1980 to 1.6% in 1990.

The publication is available from the Acting Director, Statistics of Income Division (CP;S), Internal Revenue Service, P.O. Box 2608, Washington, D.C. 20013-2608 at a cost of $175.

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INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 5
MAY, 1994

	(P)	(R)				% CHANGE
	APR	MAR	APR	FOUR MONTHS		YR TO DATE
PAPER GRADES	1994	1994	1993	1994	1993	1994/1993
Newsprint	594	599	596	2,361	2,357	0.1
Printing & Writing	1,919	2,144	2,033	7,927	7,938	-0.1
Uncoated Groundwood (s)	152	172	140	611	568	7.6
Coated Groundwood (s)	304	366	357	1,356	1,438	-5.7
Coated Free Sheet (s)	306	343	317	1,280	1,239	3.3
Total Coated Paper (s)	610	709	674	2,636	2,676	-1.5
Uncoated Free Sheet Paper (s)	1,026	1,124	1,081	4,151	4,156	-0.1
Thin Paper (s)	11	11	12	47	58	-20.2
Cotton Fiber Paper (s)	14	14	15	53	56	-5.5
Bleached Bristols (s)	106	116	110	429	423	1.2
Tissue Paper	491	507	482	1,991	1,975	0.8
Total Pkg & Other Paper	385	408	388	1,549	1,549	0.0
Unbl. Kraft Paper (s)	185	196	190	762	774	-1.5
Bl. Kraft Paper (s)	33	35	30	134	128	4.8
Specialty Pkg. Paper	53	56	55	208	211	-1.7
Special Industrial Paper (s)	114	121	114	445	436	2.1
TOTAL PAPER	3,389	3,659	3,499	13,828	13,819	0.1
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,814	1,911	1,693	7,333	7,077	3.6
Unbleached Kraft Linerboard *	1,694	1,791	1,559	6,827	6,545	4.3
Other Unbl. Kraft Paperboard	120	120	134	506	533	-5.0
Semichemical Paperboard	490	511	458	1,941	1,849	5.0
Bleached Paperboard	396	413	371	1,563	1,501	4.1
Recycled Paperboard	972	1,056	963	3,977	3,788	5.0
TOTAL PAPERBOARD	3,673	3,890	3,485	14,814	14,216	4.2
TOTAL PAPER & PAPERBOARD	7,062	7,549	6,984	28,642	28,035	2.2

(000 SHORT TONS)						%CHANGE
	APR	MAR	APR	FOUR MONTHS		YR TO DATE
U.S. MARKET PULP SHIPMENTS	1994	1994	1993	1994	1993	1994/1993
Total	738	701	744	2,778	2,781	-0.1%
Total Sulfate	723	685	726	2,717	2,725	-0.3%
Bleached Sulfate	708	663	705	2,649	2,653	-0.2%
Softwood	411	390	429	1,559	1,658	-6.0%
Hardwood	297	272	276	1,090	995	9.5%
Unbleached	15	22	21	68	72	-4.6%
Sulfite Blch & Unblch	15	16	18	61	56	7.8%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,367	5,295	5,246	20,981	20,927	0.3%
Recovered Paper	2,357	2,553	2,263	9,613	9,200	4.5%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA May 6, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD – Tons (000)			FEB	MAR	APR		
Total Production (AFPA)........: excluding :	82,941	84,788	6,755	7,549	7,062	85,926	2.2
Total Seasonally Adjusted........: construction :			7,187	7,325	7,192	86,256	2.1
Imports (including Products).......: and wet :.....E	12,406	13,831	1,084	1,239	774	12,662	-5.9
Exports (including Products).......: machine :.....E	8,946	9,099	751	927	559	9,148	1.5
Apparent Consumption..............: grades :.....E	86,401	89,368	7,520	7,637	7,407	89,769	1.0
Paper Production % Tonnage Capacity	91.1	91.4	93.3	93.2	88.9	91.2	
Paperboard Production % Tonnage Capacity	94.4	94.8	97.5	98.8	96.4	97.6	
PAPER, PAPERBOARD & PRODUCTS			FEB	MAR	APR		
Imports.....:including Construction and :.....E	12,543	13,971	1,094	1,251	782	12,784	-5.9
Exports.....: WMB Grades (excl. HPB) :.....E	8,971	9,126	752	928	560	9,163	1.4
Market Wood Pulp Shipments - Tons (000)	8,291	8,386	623	701	738	8,315	-0.4
Wood Pulp Imports - Tons (000).....E	4,882	5,320	435	482	459	5,505	-0.4
Wood Pulp Exports - Tons (000).....E	6,421	5,851	366	564	469	5,632	-6.5
Raw Materials Consumption - Tons (000)							
Wood Pulp..............:consumption for:	56,873	62,356	4,945	5,295	5,367	62,943	0.3
Recovered Paper.......:constuction & :	25,336	27,995	2,275	2,553	2,357	28,838	4.5
Total............: WMB grades :	80,168	90,351	7,220	7,849	7,724	91,780	1.5
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	8,710	8,997	0	80,619	-24.5
Employment (000)			FEB	MAR	APR		
Paper and Allied Products..RS.......Total	687.3	689.4	681.3	679.9	678.7	680.4	-1.2
Pulp, Paper and Board Mills..RS.....Total	238.8	235.4	231.2	230.7	229.2	230.8	-2.2
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	13.07	13.41	13.60	13.61	13.66	13.6	2.8
Pulp, Paper Mills.......RS	16.19	16.71	16.97	16.99	17.09	17.0	3.6
Paperboard Mills........RS	16.24	16.77	16.94	16.98	17.21	17.0	3.1
New Plant & Equip. Expenditures, Paper & Allied Prod.			IIQ '93	IIIQ '93	IVQ '93		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.30	10.27	9.64	10.67	10.42 y	-1.0
Index of Output per Man-Hour (1987=100)			FEB	MAR	APR		
:In Pulp, Paper:...Production Workers	113.2	117.2	120.1	122.7	122.2	120.8	3.1
:and Board Mills:...All Employees	112.9	116.9	120.2	123.1	122.6	121.1	3.9
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	10,876	10,863	10,836	32,508	-0.1
Pulp, Paper and Paperboard*	53,442	52,111	4,287	4,271	4,223	51,066	-2.4
Inventories (End of Period) - Total Industry*	13,387	13,487	13,463	13,459	13,464	13,464	-0.2
Pulp, Paper and Paperboard*	5,535	5,783	5,798	5,834	5,822	5,822	3.8
Paper & Allied Products Companies (Million $)			IIQ '93	IIIQ '93	IVQ '93	1993	
Sales (Corporations Only)	127,562	131,232	33,190	33,148	33,029	131,232	2.9
Earnings (Corporations Only)	1,213	(201)	815	(1,746)	4	(201)	N.M.
Depreciation (Corporations Only)	6,974	7,345	1,868	1,840	1,837	7,345	5.3
Net Worth (Corporations Only)	47,520	44,689	47,874	45,967	44,689	44,689	-6.0
Price Indexes (Bureau of Labor Statistics) 1982=100			FEB	MAR	APR		
Pulp, Paper & Products, ex. Building Grades	129.4	127.6	126.9	127.4	127.8	127.2	-0.8
Wood Pulp	118.9	104.3	101.7	102.2	106.4	102.6	-5.0
Waste Paper	117.4	117.7	114.4	130.9	132.4	121.3	-3.8
Paper	123.2	123.8	122.4	121.9	121.2	122.1	-0.9
Paperboard	134.3	130.0	130.3	131.4	134.6	131.7	0.0
Paper Demand (Indexed: 1987=100)			FEB	MAR	APR		
Total Paper Production *	110.8	112.5	114.0	115.7	112.1	113.0	0.1
Paper New Supply *	102.5	106.2	105.3	109.2	98.9	104.2	-2.0
Demand Indicators - (Weighted Average) *	101.0	105.6	107.0	107.7	108.0	107.2	1.9
Production of Nondurable Goods..RS........*....(21.2%)	106.6	108.7	110.1	111.1	111.5	110.6	2.1
Disposable Income........................*....(23.9%)	110.4	112.5	115.4	115.8	115.2	115.0	3.5
Total Printing and Publishing..RS..........*....(54.9%)	99.1	101.4	102.2	102.8	103.5	102.6	1.1
Paperboard Demand (Indexed: 1987=100)			FEB	MAR	APR		
Total Paperboard Production *	111.9	115.2	118.0	120.7	120.0	118.9	4.2
Production for Domestic Use .....E	109.6	113.5	115.9	116.3	117.6	115.8	2.8
Demand Indicators - (Weighted Average) *	106.5	110.4	114.1	114.5	114.6	114.1	4.0
Production of Consumer Goods..RS.........*....(62.06%)	105.9	108.8	111.9	112.1	112.0	111.7	2.8
Production of Equipment..RS...............*....(5.75%)	111.3	118.6	125.3	125.9	126.5	125.4	7.7
Production of Materials..RS...................*....(32.19%)	107.8	112.0	116.2	117.2	117.4	116.7	5.4
Market Data			FEB	MAR	APR		
Newsprint Consumption (SAAR) - Tons (000)...R.....E	12,620	12,752	13,228	13,139	12,985	13,184	2.9
Newspaper Pub. and Printing Empl. Total(000)	451	451	450	450	449	450	0.1
Magazine Advertising Pages (PIB, Inc.)	170,303	170,060	13,709	15,296	16,379	167,647	2.2
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	54,172	58,847	4,484	5,393	4,979	19,609	4.9
Inventories (End of Period)	5,569	6,181	5,696	6,125	6,104	6,104	6.7
Fibre Box Data (Fibre Box Association)			FEB	MAR	APR		
Fibre Box Shipments (Million square feet)	335,696	353,755	27,666	31,941	31,169	361,023	3.9
Container'bd Inventory at Mill & Plant (000 Tons)	2,918	2,501	2,597	2,561	2,507	2,507	-12.8
Retail Trade (Billion $)							
Total Retail Sales *	1,959	2,080	182	185	184	2,188	7.8
Nondurable Goods Stores Sales *	1,252	1,296	111	112	112	1,332	3.8
General Economic Data			FEB	MAR	APR		
Total Industrial Production (Index 1987 = 100)*	106.5	111.0	115.1	115.7	116.0	115.4	5.0
Producer Prices (All Commodities, Index: 1982=100)	117.2	118.9	119.2	119.7	119.8	119.4	0.7
Consumer Prices (All Items-Urban Con.) (1982-4=100)	140.3	141.9	146.7	147.2	147.4	146.9	2.5
Gross Domestic Product - Annual Rate (Billion$) *			IIIQ '93	IVQ '93	IQ '94		
G.D.P. or Expenditure - Current $	6,038.5	6,377.9	6,395.9	6,526.5	6,617.8	6,617.8	3.8
G.D.P. or Expenditure - 1987 $	4,986.3	5,136.1	5,138.3	5,225.6	5,264.1	5,264.1	2.5
Paper & Paperboard Consumption - Pounds per Capita	676	692				688	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

Paper, Paperboard & Wood Pulp

Monthly Statistical Summary - Vol. 72 No. 6 June 1994

HIGHLIGHTS

- Paper and paperboard production exceeded its year-ago volume by 2.6% during April-May 1994. May production of paper and paperboard was at a new seasonally-adjusted high of 7.4 million tons.

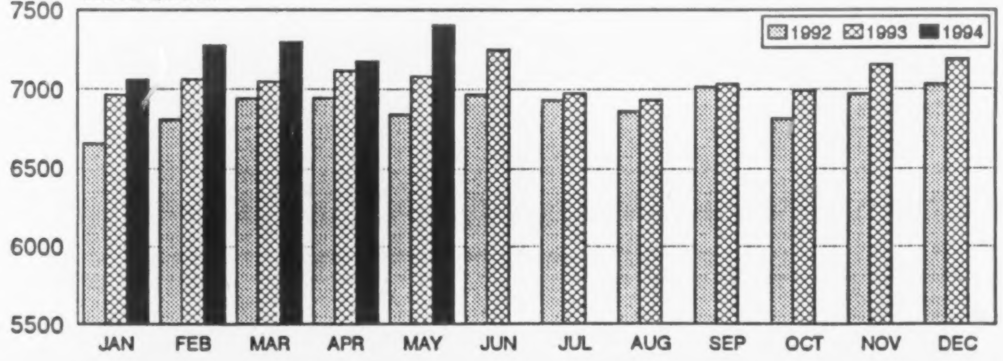
- North American newsprint shipments have been benefitting from a strong rebound in offshore exports. Shipments to the domestic market, however, continue to be hampered by publisher inventory drawdowns.

- Industry level printing-writing paper shipments were revised up by 0.6% for 1993 and by a corresponding amount for 1994 to reflect findings of the Division's annual statistical audit. Various barometers of printing-writing paper demand, such as advertising activity and white collar employment, have been recording solid gains this year.

- Bucking a pattern of secular decline brought about by competition from plastics, unbleached kraft paper shipments rose 1.0% versus year ago during the first five months of 1994.

- Paperboard production gains were mainly fueled by the containerboard sector during early 1994, but a strong advance in boxboard production during May brought about a more balanced growth profile, with containerboard production up 4.9% through May and boxboard production ahead 3.6%.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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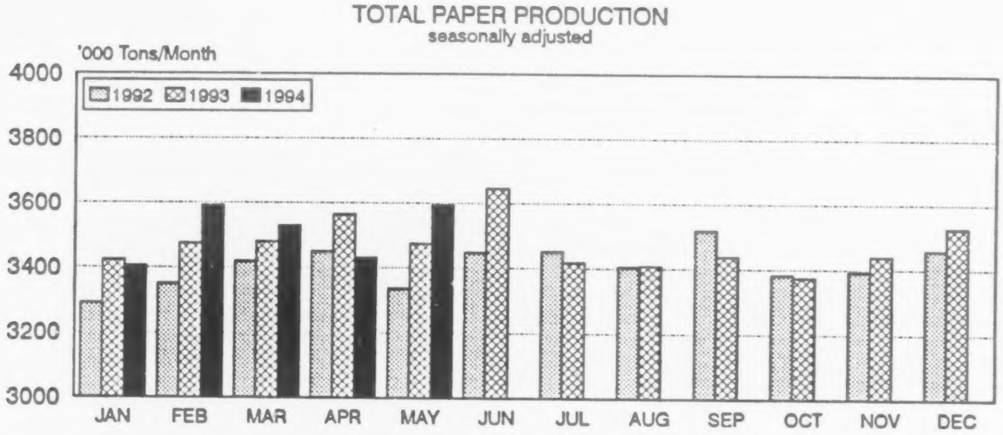
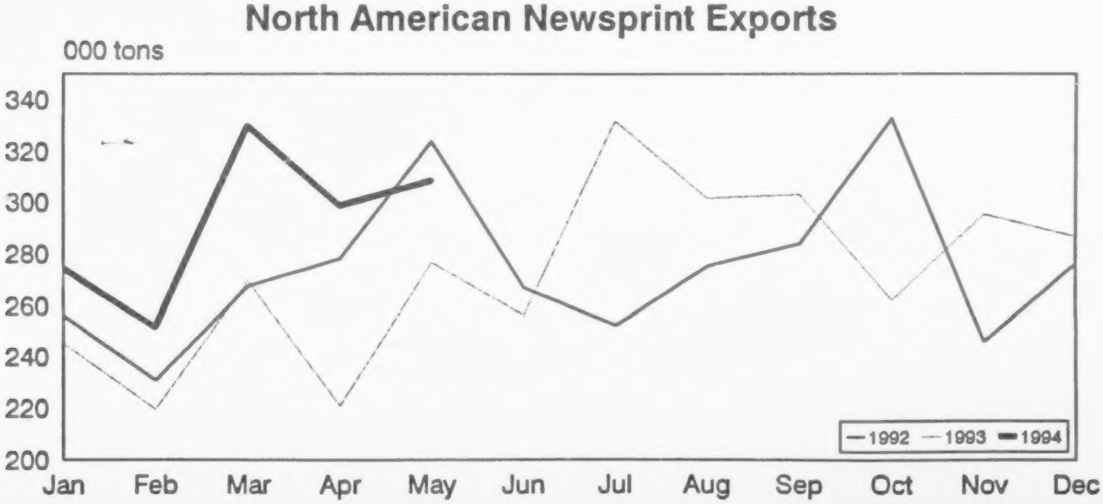
Paper: Seasonally-adjusted paper production advanced in May after easing during the two preceding months. Year-to-date production of paper was up 0.8% through May, with only the packaging grades turning in an above-trend growth performance for the period.



U.S. shipments of newsprint exceeded their year-ago level by 5.8% in May and by 1.0% through the first five months of this year. Underlying consumption of newsprint was up 2.7% through May 1994 based on a stratified sample of newspapers tracked by the Newspaper Association of America (NAA). The firming followed an essentially flat consumption pattern between 1992 and 1993.

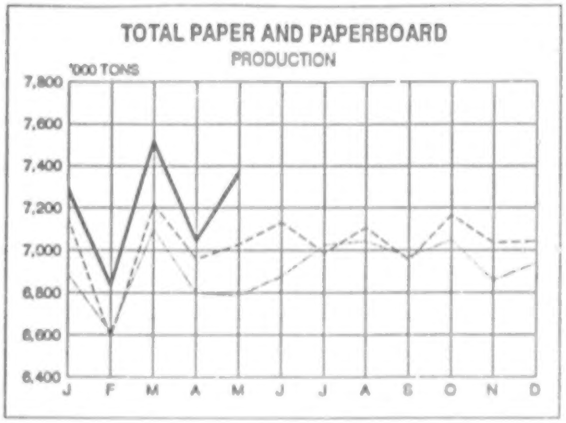
Exports have been a key driving force behind newsprint. For instance, U.S. exports of newsprint expanded 13.0% through May, while shipments from U.S. mills to the domestic market were off 0.4%. Canadian shipments of newsprint to the U.S. trailed their year-ago volume by 8.2% through May, while shipments from Canada to other foreign markets surged 21%.

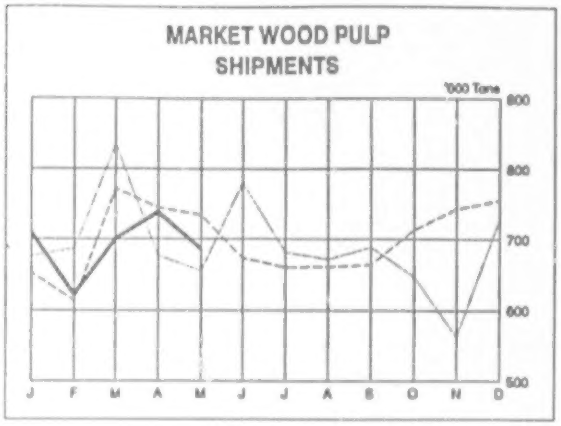


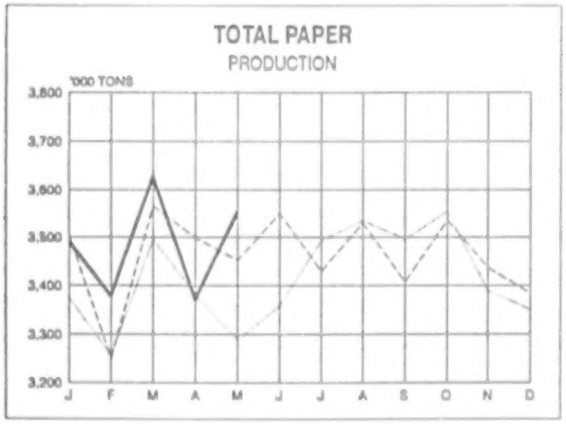
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		FEB	MAR	APR (R)	MAY (P)	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1994	1994	1994	1994	1994	Last Year
PAPER								
Newsprint - Production	7,082	7,067	548	592	588	593	7,032	-0.6
- Shipments	7,125	7,043	553	590	588	598	7,044	1.0
Printing & Writing: Total Shipments (R)	23,394	24,062	1,995	2,122	1,903	2,061	24,128	0.9
Groundwood Paper - Shipments	1,609	1,799	163	167	151	159	1,898	10.1
- New Orders	1,655	1,883	170	174	162	159	1,902	5.0
- Unshipped Orders	164	182	154	162	171	173	173	-4.8
Coated Groundwood - Shipments	4,364	4,340	393	337	279	385	4,179	-5.1
Coated Free Sheet - Shipments	3,755	3,937	322	343	306	323	3,848	2.2
Total Coated Papers - Shipments	8,119	8,276	715	680	586	709	8,027	-1.7
- New Orders	8,151	8,377	679	693	705	837	8,541	0.7
- Unshipped Orders	903	878	633	660	771	907	907	*3.3
Unctd Free Sheet - Shipments	12,170	12,355	992	1,133	1,033	1,055	12,586	1.6
- New Orders	12,293	12,500	1,034	1,239	1,115	1,012	12,992	1.4
- Unshipped Orders	720	894	756	857	932	884	884	-1.1
Thin Papers - Shipments (R)	175	169	13	12	12	13	152	-17.7
Cotton Fiber Paper - Shipments	159	160	12	15	15	13	162	-0.8
Bleached Bristols - Shipments	1,163	1,303	99	116	106	112	1,303	1.5
Tissue Paper - Production	5,784	6,008	476	507	491	512	6,007	0.8
Total Packaging & Other Paper	4,713	4,608	362	408	391	390	4,668	1.7
Unbl. Kraft Paper - Shipments	2,380	2,259	182	196	191	188	2,296	1.0
Bl. Kraft Paper - Shipments	403	400	32	35	33	30	393	3.1
Specialty Pkg. Paper - Production	687	644	48	56	53	55	632	-0.9
Special Industrial Paper - Production	1,244	1,304	100	121	114	117	1,348	3.7
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,745	3,381	3,629	3,374	3,555	41,835	0.7
TOTAL PAPER PRODUCTION - SEAS ADJ			3,593	3,530	3,432	3,595	42,137	0.8
PAPERBOARD - PRODUCTION								
Containerboard	29,374	29,821	2,393	2,699	2,545	2,605	30,894	4.9
Cont'bd For Dom Use for Fibre Boxes	25,763	26,409	2,083	2,341	2,240	2,299	26,970	3.4
Total Linerboard	17,785	18,235	1,430	1,594	1,534	1,571	18,437	2.1
Unbleached Kraft	16,850	16,732	1,305	1,446	1,402	1,428	16,796	1.3
Solid Bleached	150	158	12	13	14	13	154	1.6
Recycled	784	1,346	113	135	119	131	1,488	12.2
Corrugating Medium	7,978	8,173	653	746	705	727	8,532	6.4
Semichemical	5,582	5,507	433	494	473	492	5,687	4.9
Recycled	2,396	2,666	220	253	232	235	2,846	9.5
Other Containerboard for Dom Use	345	309	22	24	20	26	286	-12.6
Containerboard for Export	3,267	3,103	288	335	285	281	3,639	19.0
Boxboard	12,611	13,392	1,063	1,191	1,129	1,207	13,809	3.6
Boxboard for Packaging for Dom Use	7,338	7,768	607	672	649	681	7,883	1.6
Folding Boxboard	5,519	5,863	454	495	486	509	5,876	0.1
Solid Bleached	1,757	1,828	140	153	157	172	1,846	3.6
Unbleached Kraft	1,143	1,197	96	96	100	114	1,264	3.0
Recycled *	2,620	2,838	218	247	229	224	2,766	-3.2
Set-up Boxboard for Dom Use	283	323	22	29	28	28	320	1.8
Milk Carton & Food Service Dom Use	1,536	1,583	131	147	135	144	1,687	6.9
Other Boxboard for Domestic Use	4,153	4,479	371	407	376	416	4,738	6.7
Boxboard for Export	1,119	1,145	86	112	104	111	1,187	5.5
Paperboard Production by Furnish	41,985	43,213	3,456	3,890	3,673	3,812	44,703	4.5
Unbleached Kraft	21,658	21,447	1,715	1,911	1,814	1,869	22,085	3.8
Semichemical	5,762	5,672	446	511	490	502	5,863	4.7
Solid Bleached Kraft	4,503	4,583	365	413	396	425	4,771	5.7
Recycled	10,063	11,510	931	1,056	972	1,017	11,984	5.2
Paperboard Production for Export	4,386	4,249	374	447	389	391	4,827	15.3
Unbleached Kraft	3,320	3,209	291	345	292	302	3,740	19.0
Semichemical	180	165	14	17	17	10	177	-2.6
Bleached Kraft	812	795	62	75	68	73	813	3.9
Recycled	74	79	7	9	11	7	97	25.0
TOTAL PAPERBOARD PRODUCTION - UNADJ	41,985	43,213	3,456	3,890	3,673	3,812	44,703	4.5
TOTAL PAPERBOARD PROD - SEAS ADJ			3,681	3,766	3,744	3,808	44,764	4.5
PAPER AND PAPERBOARD - UNADJ	82,958	84,957	6,837	7,520	7,047	7,368	86,539	2.6
PAPER AND PAPERBOARD - SEAS ADJ			7,274	7,296	7,176	7,403	86,901	2.6

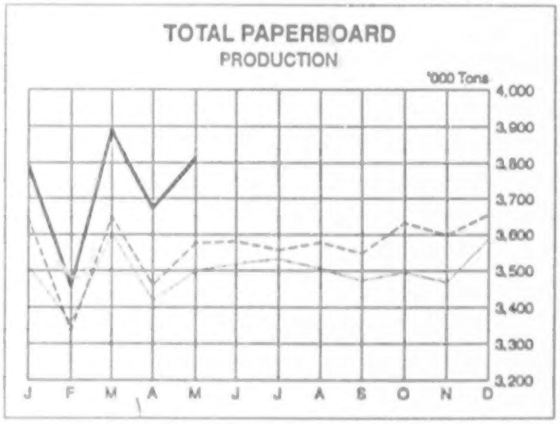
R - Revised   P - Preliminary   Seas. Adj. - Seasonally Adjusted   Unadj - Not Seasonally Adjusted

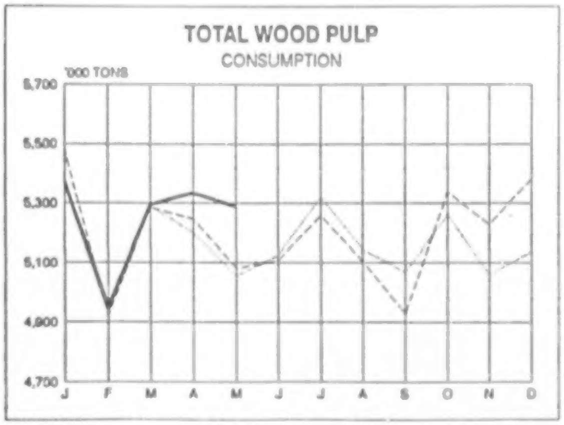
* Container Chip and Filler reclassified into Recycled Corrugating Medium

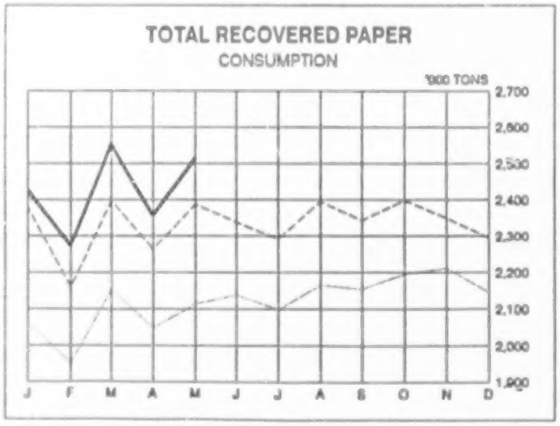

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

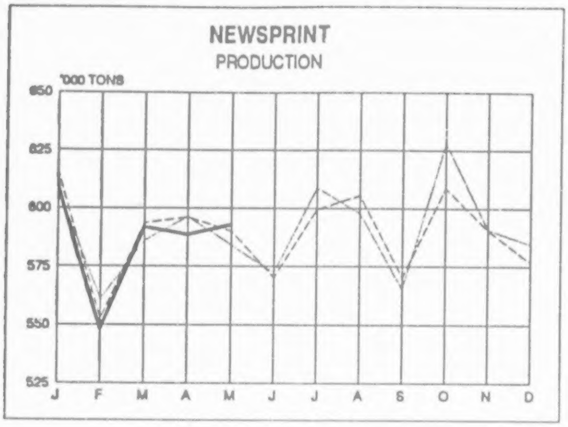
1992 .... 1993 ------ 1994 ———

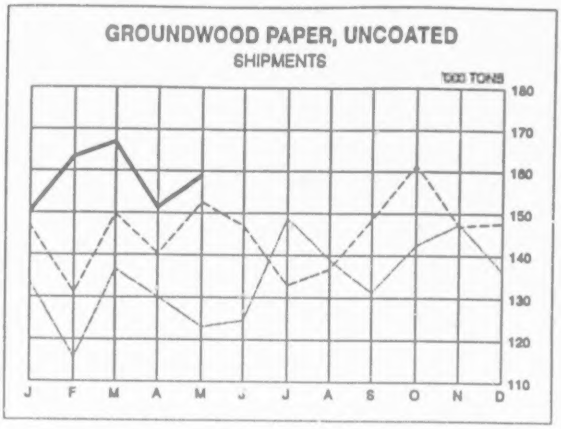
WOOD PULP STATISTICS (Thousands of Tons)		YEAR		FEB 1994	MAR 1994	(R) APR 1994	(P) MAY 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
		1992	1993						
TOTAL WOOD PULP									
Total Wood Pulp	Production	63,960	62,908	4,969	5,299	5,386	5,292	63,411	0.9%
(Paper Grades)	Imports	4,882	5,320	435	482	425	448	5,398	-0.1%
	Exports	6,421	5,850	366	564	500	477	5,723	-5.1%
	New Supply	62,421	62,377	5,038	5,217	5,312	5,263	63,086	1.8%
Paper Grades	Production	53,358	52,738	4,198	4,461	4,545	4,461	53,472	1.9%
Chemical Pulp	Imports	4,570	4,889	395	447	393	412	4,956	0.8%
	Exports	6,321	5,747	360	556	496	470	5,643	-3.8%
	New Supply	51,607	51,880	4,233	4,352	4,442	4,402	52,785	2.4%
Groundwood and	Production	6,501	6,158	463	495	502	496	5,941	-5.8%
Thermo-Mech.	Imports	312	431	40	36	33	36	442	-8.6%
	Exports	100	104	7	8	4	6	81	-50.8%
	New Supply	6,713	6,485	496	523	531	525	6,303	-4.9%
Semi-Chemical	Production	4,101	4,012	309	343	339	335	3,997	-0.9%
	Imports								
	Exports								
	New Supply	4,101	4,012	309	343	339	335	3,997	-0.9%
MARKET WOOD PULP									
Paper Grades	Production	8,670	8,117	644	662	677	674	8,108	-0.4%
Chemical Pulp	Imports	2,946	3,132	236	307	269	266	3,270	8.2%
	Exports	5,906	5,571	399	460	495	444	5,412	-2.8%
	New Supply	5,709	5,678	481	510	452	495	5,966	6.5%

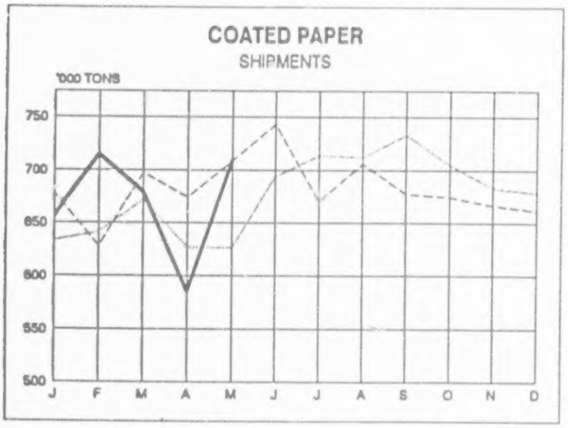
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

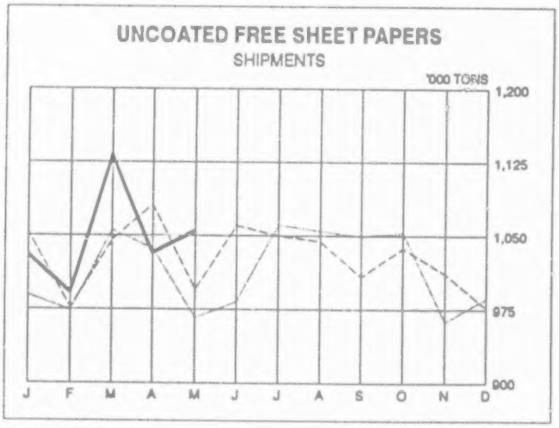
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		FEB 1994	MAR 1994	(R) APR 1994	(P) MAY 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
	1992	1993						
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,220	7,849	7,690	7,805	92,073	2.0%
Total Wood Pulp	62,011	62,356	4,945	5,295	5,333	5,290	62,967	0.9%
Recovered Paper	25,440	27,995	2,275	2,553	2,357	2,515	29,106	4.7%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	240	195	189	204	198	167	167	-13.5%
Producers' Market Inventories	570	614	685	647	586	574	574	-24.5%
Consumers' Purchased Inventories *	385	382	378	373	397	N/A	N/A	N/A
Recovered Paper at Paper & Bd. Mills	1,092	1,097	938	969	968	905	905	-17.2%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	26	28	29	25	25	25	-19.4%

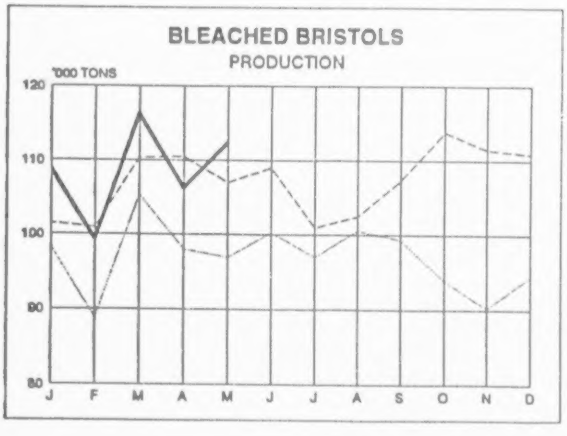
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFP N/A - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

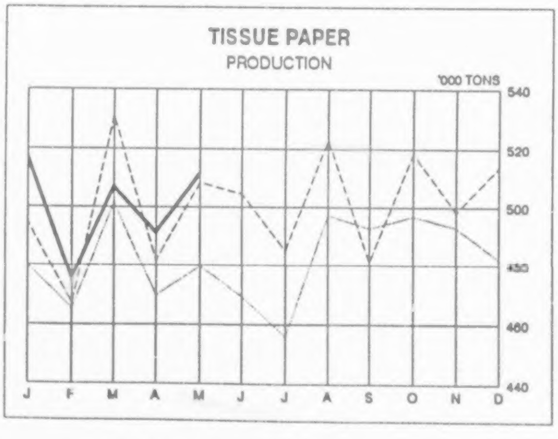












1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR		Feb	Mar	Apr	May	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1994	1994	1994	1994	1994	Last Year
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,082	8,881	9,103	8,664	8,634	106,176	0.8
- Total Consumpt	104,598	105,275	8,710	8,997	8,741	8,729	106,423	0.2
- Residues *	39,784	43,134	3,446	3,758	3,718	3,618	43,536	1.0
- Inventories	5,314	5,989	5,838	5,771	5,644	5,503	5,503	13.6
So. Atlantic - Total Receipts	33,704	34,958	2,835	2,933	2,864	2,816	34,457	-1.1
- Total Consumpt	34,015	34,693	2,862	2,951	2,833	2,851	34,817	-0.2
- Residues *	13,173	14,916	1,241	1,261	1,245	1,218	14,947	1.4
- Inventories	1,199	1,503	1,357	1,315	1,311	1,307	1,307	22.5
Northeast - Total Receipts	7,511	7,791	694	706	647	629	7,968	1.7
- Total Consumpt	7,341	7,751	646	656	656	617	7,781	-0.9
- Residues *	1,800	1,782	151	156	157	168	1,865	0.1
- Inventories	347	330	360	383	339	323	323	7.3
South Central - Total Receipts	42,665	44,542	3,720	3,903	3,741	3,730	45,242	3.7
- Total Consumpt	42,956	44,039	3,706	3,849	3,678	3,744	45,134	2.6
- Residues *	15,544	17,596	1,404	1,577	1,552	1,511	17,954	2.1
- Inventories	1,736	2,128	1,981	1,912	1,950	1,891	1,891	18.3
North Central - Total Receipts	7,310	7,419	789	682	463	586	7,735	4.7
- Total Consumpt	7,339	7,508	623	668	642	653	7,769	1.1
- Residues *	1,139	1,118	90	102	97	93	1,123	5.6
- Inventories	813	721	927	942	807	737	737	3.4
West - Total Receipts	12,701	11,372	843	879	949	873	10,774	-7.8
- Total Consumpt	12,947	11,284	873	873	832	864	10,922	-7.5
- Residues *	8,128	7,722	560	662	667	628	7,646	-2.7
- Inventories	1,219	1,307	1,213	1,219	1,237	1,245	1,245	6.8

* - Consumption of Residues in Cord Equivalents.

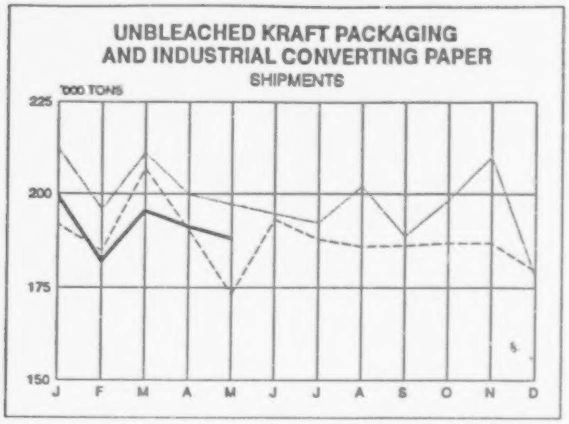
SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						Annual Rate Y-T-D 1994	% Change From same Period
	YEAR 1993		March 1		March 1994			
	Tons	($000's)	Tons	($000)	Tons	($000)	Tons	Last Year
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M
Pulpwood chips	360,080	16,098	10,482	542	7,887	416	113,986	-66.8
Wood Pulp, Total	4,662,246	1,608,657	409,981	139,372	393,007	139,169	4,850,212	0.3
Waste Fibrous Materials, Total	127,838	19,399	18,655	1,947	17,325	1,816	207,263	47.6
Paper, Board & Products, Total	11,548,456	5,681,810	1,043,726	519,356	977,194	491,227	11,690,170	-0.5
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	1,017,583	464,091	950,220	437,106	11,381,550	-1.2
Paper, Paperboard & Products	11,427,296	5,653,489	1,033,346	516,711	965,950	488,383	11,569,139	-0.6
Paper & Paperboard, Only	11,170,712	5,129,264	1,007,202	461,446	938,977	434,262	11,260,519	-1.3
Paper, Total	10,249,618	5,221,372	920,585	428,859	853,054	402,855	10,202,237	-3.3
Newsprint	7,630,129	3,546,762	676,465	281,084	597,853	249,189	7,432,380	-7.0
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	208,685	120,871	219,799	126,249	2,402,892	7.9
Pack. & Ind. Conv. Paper	204,576	125,317	22,281	12,308	20,936	11,889	224,392	9.1
Special Industrial Paper	60,409	101,041	5,451	8,873	5,570	9,058	61,574	4.1
Tissue Paper	73,952	56,474	7,703	5,723	8,895	6,470	80,999	23.8
Paperboard, Total	921,094	343,269	86,617	32,587	85,923	31,407	1,058,282	23.6
Convtd Paper&Paperbd Products	256,584	556,374	26,143	55,265	26,974	54,121	308,620	31.9
Wet Machine Board	800	749	45	42	64	58	847	-4.0
Construction Paper & Board	120,361	30,217	10,336	2,603	11,180	2,786	120,185	9.8

	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	271,886	8,783	38,965	1,496	2,659,437	-14.9
Pulpwood chips	363,398	18,332	67,416	2,919	49,207	2,158	616,747	108.8
Wood Pulp, Total	313,005	133,450	30,701	11,915	26,258	10,079	335,053	-11.6
Cotton Pulp & Other Pulp	5,710	3,341	399	337	319	241	3,674	-64.1
Waste Paper	1,182,448	142,952	123,120	13,956	121,021	12,921	1,263,825	5.3
Paper, Board & Products, Total	1,710,071	1,658,778	158,897	162,915	149,224	144,855	1,713,429	3.4
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	114,197	89,743	110,600	82,806	1,233,593	4.0
Paper, Paperboard & Products	1,704,072	1,656,494	158,447	162,698	148,664	144,617	1,708,727	3.3
Paper & Paperboard, Only	1,225,877	928,862	113,746	89,526	110,040	82,568	1,228,891	3.8
Paper, Total	671,502	687,704	60,289	61,534	54,762	55,185	678,305	1.0
Newsprint	14,376	6,997	1,127	614	702	370	9,405	-44.4
Printing, Writing & Rel. Pap.	480,105	470,309	44,288	42,734	40,653	38,732	501,688	2.8
Pack. & Ind. Conv. Paper	56,540	42,700	4,544	3,556	3,469	2,695	49,562	-9.0
Special Industrial Paper	85,450	133,523	6,852	11,435	6,132	9,852	75,235	-8.3
Tissue Paper	35,031	34,175	3,479	3,195	3,805	3,536	42,414	41.3
Paperboard, Total	554,375	299,348	53,457	27,992	55,279	27,383	550,586	7.5
Convtd Paper&Paperbd Products	478,195	754,164	44,701	73,172	38,624	62,049	479,836	1.9
Wet Machine Board	0	0	0	0	0	0	0	N.M
Construction Paper & Board	5,999	2,402	451	216	560	238	4,702	75.1

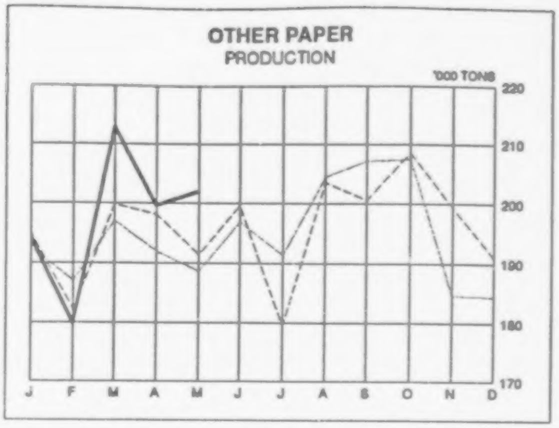
SOURCE: Bureau of Census, Department of Commerce.

N.M. - Not Meaningful



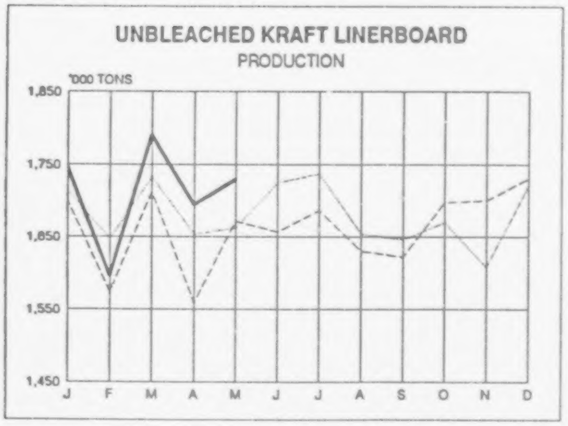
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



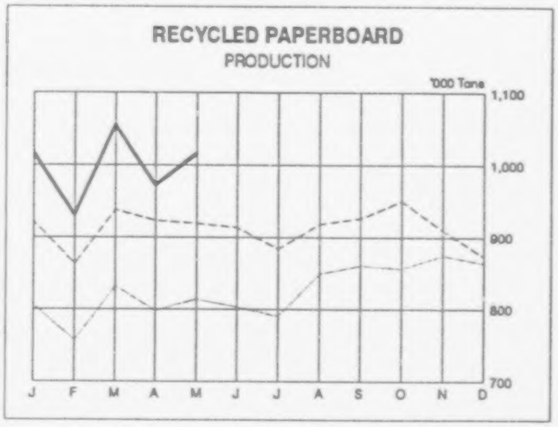
OTHER PAPER

PRODUCTION



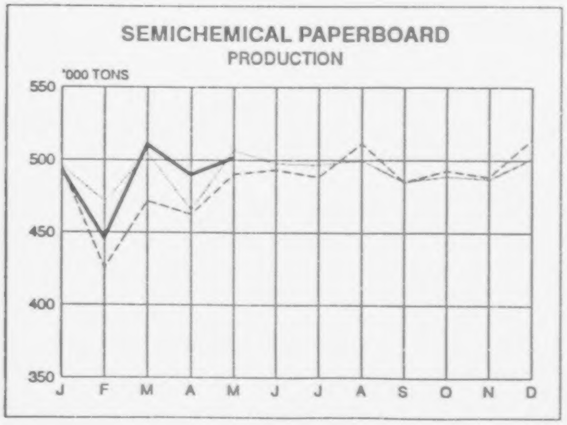
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



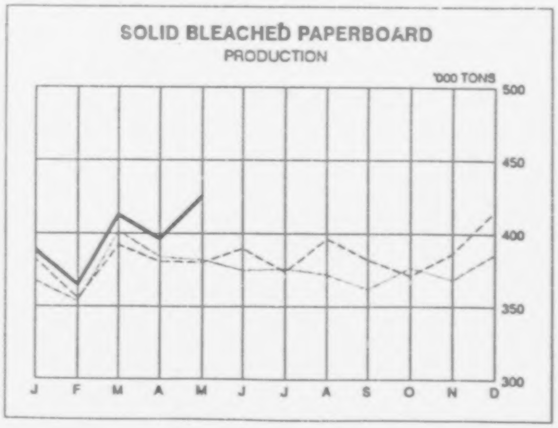
RECYCLED PAPERBOARD

PRODUCTION



SEMICHEMICAL PAPERBOARD

PRODUCTION



SOLID BLEACHED PAPERBOARD

PRODUCTION

1992 .... 1993 ------ 1994 ——

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		March 1994		April 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	42,465	1,866	15,268	1,703	678,920	97.1
Total All Imports	19,529,543	10,413,422	1,761,070	895,588	1,634,976	855,052	19,699,581	1.8
Wood Pulp Total	5,412,797	1,860,163	490,842	167,766	427,381	149,998	5,471,582	-2.4
Waste Paper	137,835	22,285	19,106	2,072	18,224	2,002	214,079	46.0
Other Fibrous Materials	8,143	4,425	557	197	1,296	1,024	10,244	62.8
Paper Board & Products Total	13,970,768	8,526,549	1,250,565	725,553	1,188,075	702,029	14,003,676	3.0
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,198,585	605,058	1,136,767	582,583	13,394,357	1.9
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,238,540	721,356	1,175,403	697,739	13,865,682	3.0
Paper & Paperboard Only	13,330,595	7,195,151	1,186,560	600,862	1,124,095	578,294	13,256,364	1.8
Paper Total	12,250,220	6,753,643	1,085,973	560,711	1,023,797	539,282	12,055,090	0.2
Newsprint	7,783,906	3,593,326	679,065	282,055	610,217	252,583	7,516,296	-8.0
Printing & Writing	3,984,250	2,570,081	357,105	222,087	365,764	230,291	4,015,014	18.2
Uncoated Groundwood	1,733,551	1,001,611	164,603	90,669	171,273	96,007	1,823,095	19.5
Coated Print.& Impreg. Pap.	1,136,928	823,565	93,528	69,224	96,745	73,055	1,069,148	18.6
Uncoated Free Sheet	991,249	618,187	87,484	50,818	85,803	50,158	1,000,069	16.0
Thin (except Cigarette)	6,759	10,183	412	683	516	633	5,222	-38.8
Bristols	115,764	116,534	11,078	10,693	11,428	10,438	117,479	18.5
Total Pkg & Other Paper	399,411	527,120	41,240	50,247	38,327	49,323	433,161	8.3
Unbleached Kraft Paper	177,342	93,702	19,801	9,719	19,695	9,826	203,962	16.5
Other Pkg. & Indust. Paper	222,070	433,418	21,439	40,528	18,633	39,497	229,199	2.0
Tissue	82,653	63,116	8,562	6,321	9,489	7,085	90,620	34.4
Paperboard, Total	1,080,375	441,508	100,588	40,150	100,299	39,011	1,201,274	21.5
Kraft Paperboard	217,945	81,638	21,712	8,292	24,060	9,146	260,160	28.8
Semi-Chemical Corrugating	267,438	65,898	26,972	6,926	26,910	7,054	356,016	59.0
Other Paperboard	594,992	293,972	51,904	24,933	49,329	22,811	585,098	4.0
Convtd Paper&Paperbd Products	499,972	1,283,698	51,980	120,495	51,307	119,446	609,318	38.5
Paper Products, Total	355,638	1,007,231	32,396	91,640	34,186	91,968	386,518	24.2
Paperboard Products, Total	144,334	276,467	19,584	28,855	17,122	27,478	222,800	73.2
Wet machine Board	924	842	52	50	64	58	899	-13.9
Construction Paper & Board E	139,278	46,857	11,973	4,147	12,608	4,232	137,095	5.7
Notes								
Other: No Weight Avail. ($000)		170,733		9,451		13,977	129,149	-2.2
Total Imports Incl. Other($000)		10,584,154		905,039		869,029	10,106,523	1.8

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		March 1994		April 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	276,726	8,845	44,021	1,558	2,722,053	-14.1
Pulpwood Chips	5,248,132	423,288	462,858	37,864	355,291	27,912	5,028,086	4.1
Total All Exports	21,637,893	9,527,479	2,103,064	933,039	2,053,396	882,190	22,964,033	5.2
Wood Pulp,Total	6,499,065	2,369,414	630,624	230,194	559,736	204,097	6,418,928	-4.6
Cotton Pulp and Other Pulp	124,656	83,505	7,362	6,396	11,584	7,175	106,558	-29.7
Waste and Old Paper	5,888,369	533,240	536,867	50,176	568,816	53,227	6,216,173	5.0
Paper, Board & Products,Total	9,125,803	6,541,320	928,212	646,273	913,260	617,691	10,222,374	13.1
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	778,983	410,024	781,871	414,746	8,597,874	15.0
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	926,810	645,405	911,624	616,826	10,205,018	13.2
Paper & Paperboard, Only	7,494,893	4,224,234	777,580	409,156	780,234	413,880	8,580,518	15.1
Paper, Total	2,586,993	2,066,927	259,911	198,103	275,440	203,264	2,907,796	14.8
Newsprint	1,019,146	496,060	97,824	44,519	102,641	47,979	1,069,905	22.3
Printing & Writing	1,120,439	980,400	118,900	95,804	131,989	100,434	1,357,055	11.1
Uncoated Groundwood	109,386	75,504	9,236	6,800	9,423	7,172	103,017	-8.2
Clay Coated Paper	342,036	282,860	33,347	26,563	39,981	29,526	398,505	7.6
Uncoated Free Sheet	425,310	435,213	56,510	47,279	64,332	48,939	622,314	33.4
Other Printing & Writing	243,707	186,823	19,806	15,161	18,254	14,797	233,219	-14.2
Total Pkg. & Other Paper	379,092	501,465	36,309	47,536	33,207	44,054	396,072	6.4
Unbleached Kraft	130,748	66,917	12,879	6,450	11,223	5,403	132,474	9.4
Other Pkg. & Indust. Paper	248,345	434,548	23,430	41,086	21,984	38,651	263,598	5.0
Tissue	68,315	89,002	6,879	10,245	7,603	10,795	84,764	31.1
Paperboard, Total	4,907,901	2,157,307	517,670	211,053	504,794	210,616	5,672,722	15.3
Solid Wood Pulp	4,645,501	2,000,622	492,636	197,789	481,009	197,324	5,410,862	16.5
Total Linerboard	2,995,058	931,801	316,418	93,288	325,115	98,150	3,598,188	19.5
Bleached Kraft Linerboard	14,552	10,840	386	251	202	152	4,193	-47.8
Unbleached Kraft Linerbd	2,980,506	920,961	316,033	93,038	324,914	97,998	3,593,995	19.7
Other Unbleached Kraft	505,984	255,357	44,777	21,902	44,581	22,575	493,057	-3.1
Other Bleached Kraft	1,025,864	776,502	119,881	78,909	102,379	73,648	1,182,567	17.1
Semi-Chemical Corrugating	118,595	36,964	11,559	3,690	8,933	2,951	137,051	18.3
Recycled Paperboard	262,399	156,685	25,034	13,263	23,785	13,293	261,860	-4.8
Convtd Paper&Paperbd Products	1,604,427	2,304,242	149,229	236,249	131,390	202,946	1,624,500	3.9
Paper Products, Total	750,263	1,469,052	67,007	148,307	60,207	127,801	740,348	12.1
Paperboard Products, Total	854,164	835,190	82,222	87,942	71,183	75,145	884,152	-2.1
Wet Machine Board	596	400	0	0	0	0	140	-81.1
Construction Paper & Board E	25,886	12,445	1,402	869	1,637	865	17,216	-15.9
Notes								
Other: No Weight Avail. ($000)		86,234		6,600		6,942	75,666	2.0
Total Exports Incl. Other($000)		9,613,713		939,638		889,132	10,053,349	5.1

SOURCE: Bureau of Census. U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

(1) **Annual Rate Year-To-Date is in tons unless otherwise specified in item description.**

PRODUCER PRICE INDEXES 1982 = 100	YEAR		FEB 1994	MAR 1994	APR 1994	MAY 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
	1992	1993						
Pulp, Paper and Products except Building Grades	129.2	127.6	126.9	127.4	127.8	128.7	127.5	-0.5
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.1	127.3	127.7	128.4	127.5	-0.6
Total Wood Pulp	118.9	104.3	101.7	102.2	106.4	109.2	104.1	-3.4
Total Paper	123.2	123.8	122.4	121.9	121.2	121.4	119.9	-2.7
Writing Paper, exc. Newsprint	120.2	120.5	118.7	117.5	116.4	116.2	117.6	-1.6
Newsprint	109.9	112.1	109.3	110.4	110.3	112.3	110.4	-1.8
Total Paperboard	134.3	130.0	130.3	131.4	134.6	134.7	132.2	0.7
Total Paper and Paperboard *	126.7	125.8	124.9	124.9	125.4	125.6	123.8	-1.6
Converted Products	134.8	133.7	133.4	133.6	133.5	134.4	133.6	-0.6
Waste Paper	117.4	117.7	114.4	130.9	132.4	148.0	126.9	1.1
All Commodities	117.2	118.9	119.2	119.7	119.8	119.9	119.5	0.6
Industrial Commodities	117.4	119.0	118.7	119.3	119.4	119.8	119.2	0.1

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AFPA

STATE DATA - 1992
Regional Percent Distribution

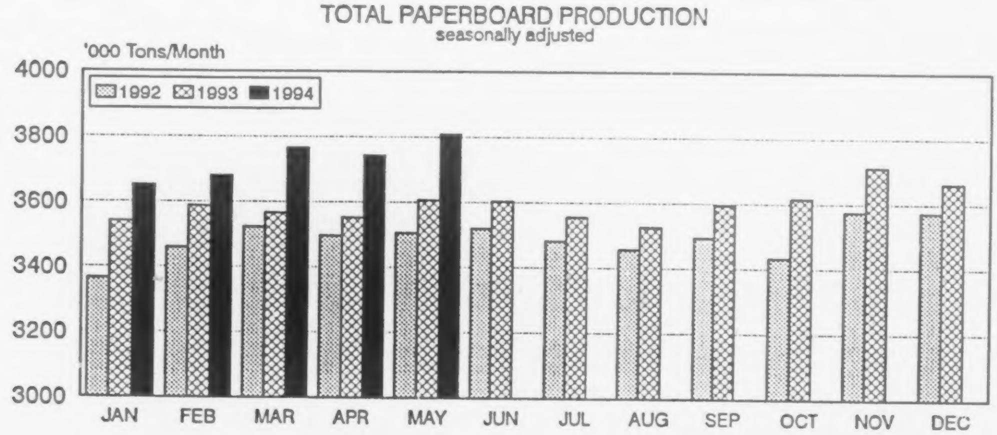
	Pulpwood Consumption	Wood Pulp Production	Recovered Paper Consumption	Paper & Paperboard Production		
				Total All Grades Paper & Paperboard	Paper	Paperboard
Geographic Areas	%	%	%	%	%	%
Northeast	7.4	6.8	16.8	12.6	19.9	5.5
North Central	7.1	7.4	29.9	17.7	22.0	13.4
South	74.8	71.6	35.7	53.5	40.5	66.2
West	10.7	14.1	17.6	16.2	17.5	15.0

New supply of the four major printing-writing paper grades -- shipments plus imports less exports -- was up 1.6% through May. However, rapid import increases of 18% (see page 9) limited domestic shipments growth to 1%. Exports of printing-writing papers have also risen sharply this year -- 11% through April -- but from a smaller base than imports.

Print-related advertising activity appears to be growing at a respectable clip. Newspaper insert lineage was up an estimated 6.2% versus year ago during the initial quarter of 1994. The Newspaper Association of America (NAA) recently reported that U.S. daily newspapers distributed 82.7 billion preprinted inserts in 1993, a 5.3% increase over 1992's level. Third class mail volume, a proxy for direct mail advertising, was up 4.2% through April 1994, while magazine advertising pages posted a more moderate 2.5% increase.

Kraft paper demand has been gaining ground this year. Shipments of unbleached kraft papers rose 1.0% through May, with grocer's bag and sack and multiwall sack grades accounting for a preponderance of the gain. By contrast, shipments of unbleached kraft papers declined 5.1% in 1993. Bleached kraft paper shipments, which dipped 0.7% in 1993, were up 3.1% through May of this year.

Paperboard: Seasonally-adjusted paperboard production rose to a new monthly high of 3.81 million tons in May, which brought year-to-date growth through the first five months of 1994 to 4.5%.



Containerboard production was up 4.9% through May, reflecting a 4.6% increase in box shipments and a significant firming in export demand. The recycled grades have been scoring the largest advances this year, with recycled linerboard and medium production for domestic use up 12.2% and 9.5%, respectively. Containerboard production for export, which is presently running 19% above comparable 1993 figures, accounted for some 40% of overall containerboard production growth so far this year.

The export gains have been broadly based. For instance, according to Census Bureau data, U.S. shipments of unbleached kraft linerboard to the Far East and Oceania (excluding Japan) registered a 39% increase through April, while exports to the People's Republic of China and Western Europe exceeded year-ago levels by 24% and 8%, respectively. However, U.S. exports of unbleached kraft linerboard to Japan lagged year ago levels through April.

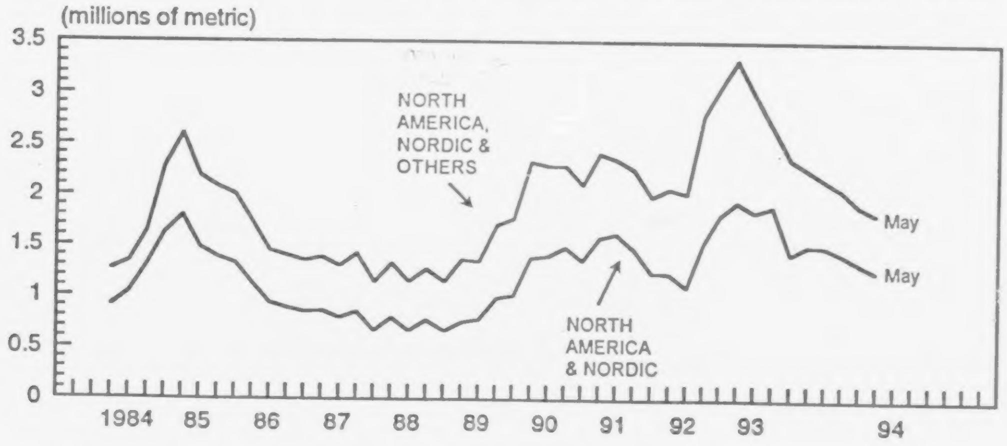
Boxboard production expanded vigorously in May, paced by a 4.7% month-to-month increase in folding boxboard production for domestic use. Overall production of boxboard was up a handsome 3.6% through the first five months of 1994, while boxboard production for export advanced a brisk 5.5%.

Market Pulp

World pulp markets have been characterized by rising demand and declining inventories. Total North American and Nordic shipments of chemical paper grade market pulp exceeded their year-ago level by 7.0% through May 1994. The largest gains came in shipments to Japan (+31%); the U.S. (5%); and Western Europe (4%). U.S. shipments of chemical paper grade market pulp were off 1.6% through May, reflecting a fractional rise in shipments to the domestic market and a 2.8% decline in exports.

As is shown by the following graph, producer inventories of chemical paper grade market pulp have declined sharply since the spring of 1993.

PRODUCERS' CHEMICAL PAPER GRADE MARKET PULP INVENTORY



STATE DATA FOR 1992

The table on page 14 and summary tabulation at the bottom of page 10 profile 1992 pulp,paper and paperboard production and fiber consumption by state. These data, most of which come from AF&PA's annual Capacity Survey, have been the only source of state specific paper and paperboard production figures since the Department of Commerce ceased publication of its M26 series of Current Industrial Reports with the 1989 issue.

The South is far and away the dominant U.S. pulp, paper, and paperboard producing region. In 1992, for instance, it accounted for 53.5% of national paper and paperboard production and even larger shares of wood pulp production (71.6%) and pulpwood consumption (74.8%).

The North Central region generated 17.7% of U.S. paper and paperboard production in 1992, but comparatively smaller shares of wood pulp production (7.4%) and pulpwood consumption (7.1%). However, the region is a major user of recovered paper with a 1992 share approaching 30% of national consumption.

The North East produced only 5.5% of the nation's paperboard in 1992 but 19.9% of its paper. It accounted for 12.6% of national paper and paperboard production, and a somewhat higher 16.8% share of recovered paper consumption.

The West produced 16.2% of U.S. paper and paperboard in 1992; its respective shares of recovered paper use and wood pulp production were a relatively balanced 17.6% and 14.1%, respectively.

STATE DATA - 1992

GEOGRAPHIC AREAS	Pulpwood Consumption (Cords)*	Wood Pulp Production (000 Tons)	Mills	Recovered Paper Consumption (1) (000 Tons)	Total Paper & Paperboard Production (2) (000 Tons)	Mills (3)	Paper Production (000 Tons)	Mills	Paperboard Production (000 Tons)	Mills
UNITED STATES, TOTAL	105,275,000	65,943	201	26,434	82,958	500	40,973	322	41,985	220
Northeast	7,751,000	4,505	25	4,438	10,461	157	8,160	114	2,301	44
New England	5,355,000	3,245	15	1,672	5,511	71	4,563	58	948	14
Maine	4,647,000	(D)	12	409	(D)	17	3,594	16	(D)	1
New Hampshire	N/A	(D)	3	141	(D)	12	319	10	(D)	2
Vermont	N/A	-	-	115	(D)	6	231	5	(D)	1
Massachusetts	N/A	-	-	527	706	28	418	24	288	5
Connecticut	N/A	-	-	479	(D)	8	(Inc. in VT)	3	433	5
Middle Atlantic	2,396,000	1,259	10	2,766	4,950	86	3,597	56	1,352	30
New York	985,000	539	4	867	1,989	45	1,671	35	318	10
New Jersey	-	-	-	839	767	14	415	6	352	8
Pennsylvania	1,411,000	721	6	1,060	2,194	27	1,512	15	682	12
North Central	7,508,000	4,901	38	7,907	14,645	137	9,030	84	5,615	57
East North Central	N/A	3,881	29	7,168	12,570	124	7,468	77	5,104	51
Ohio	761,000	704	5	1,724	2,316	29	985	13	1,331	17
Indiana	N/A	(Inc. in OH	1	889	(D)	10	(Inc. in IL)	3	796	8
Illinois	N/A	-	-	776	681	9	271	4	409	5
Michigan	2,144,000	1,320	6	1,619	3,260	33	1,631	20	1,629	14
Wisconsin	3,030,000	1,857	17	2,161	5,518	43	4,579	37	939	7
West North Central	N/A	1,020	9	739	2,075	13	1,564	7	511	6
Minnesota	1,464,000	(D)	7	567	(D)	9	1,564	7	(D)	2
Iowa	N/A	(D)	1	(Inc. in MN)	(D)	2	-	-	(D)	2
Missouri	N/A	(D)	1	(Inc. in KS)	(D)	1	-	-	(D)	1
Kansas	N/A	-	-	173	(D)	1	-	-	(D)	1
South	78,732,000	47,216	104	9,417	44,388	144	16,596	85	27,792	87
South Atlantic	34,693,000	21,508	44	4,933	19,971	69	6,989	37	12,982	45
Delaware	N/A	-	-	(Inc. in MD)	(D)	3	(Inc. in VA)	3	-	-
Maryland	(Inc. in VA)	(Inc. in VA	1	175	0	3	(Inc. in VA)	1	(D)	2
Virginia	4,699,000	3,116	7	992	3,809	11	1,424	5	2,385	9
West Virginia	N/A	-	-	(Inc. in VA)	(D)	2	-	-	(D)	2
North Carolina	6,486,000	2,662	5	482	2,204	11	960	8	1,244	7
South Carolina	5,721,000	4,031	8	588	3,559	10	1,784	7	1,775	5
Georgia	11,427,000	7,520	14	2,182	7,009	20	1,898	9	5,111	14
Florida	6,360,000	4,178	9	515	3,229	9	921	4	2,308	6
East South Central	26,966,000	13,466	32	2,173	11,625	41	4,512	24	7,112	20
Kentucky	(Inc. in TN)	679	3	(Inc. in TN)	(D)	6	386	4	(D)	2
Tennessee	3,018,000	1,454	5	920	2,222	12	915	6	1,307	6
Alabama	13,233,000	7,939	17	1,253	6,640	16	2,616	8	4,024	9
Mississippi	10,715,000	3,394	7	(Inc. in AL)	(D)	7	596	6	(D)	3
West South Central	17,073,000	12,242	28	2,311	12,793	34	5,095	24	7,698	22
Arkansas	3,854,000	2,792	7	261	2,656	7	1,500	5	1,156	4
Louisiana	8,641,000	5,598	10	794	6,123	11	2,052	8	4,070	9
Oklahoma	(Inc. in TX)	789	3	762	1,326	6	306	4	1,020	3
Texas	4,578,000	3,063	8	494	2,689	10	1,237	7	1,452	6
West	11,284,000	9,321	34	4,672	13,464	62	7,186	39	6,277	32
Mountain	N/A	1,212	3	563	1,548	6	392	4	1,156	4
Montana	N/A	(D)	1	(D)	(D)	1	-	-	(D)	1
Idaho	N/A	(D)	1	(D)	(D)	2	(D)	2	(D)	1
Colorado	N/A	-	-	(D)	(D)	1	-	-	(D)	1
Arizona	N/A	(D)	1	(D)	(D)	2	(D)	2	(D)	1
New Mexico	N/A	-	-	(D)	-	-	-	-	-	-
Pacific	N/A	8,110	31	4,109	11,916	56	6,794	35	5,122	28
Washington	5,722,000	4,408	16	788	6,074	19	4,691	17	1,383	7
Oregon	3,040,000	2,740	10	1,177	3,678	12	1,541	9	2,137	5
California	N/A	962	3	2,144	2,092	25	489	9	1,602	16
Alaska	N/A	(Inc. in CA	2	-	(D)	1	(D)	1	-	-

SOURCE: Pulpwood - American Pulpwood Association. Paper and Paperboard, Wood Pulp, Recovered Paper - AF&PA.

NOTE: (D) - Withheld to avoid disclosure * - 128 Cu. Ft. roughwood basis. N/A - Not Available - = 0 (1) - Excludes Puerto Ric
(2) - Total including wet machine board, construction paper and insulating board: 84,558,000 tons. (3) Total number of mills = 5

JUNE, 1994

	(P) MAY 1994	(R) APR 1994	MAY 1993	FIVE MONTHS 1994	FIVE MONTHS 1993	% CHANGE YR TO DATE 1994/1993
PAPER GRADES						
Newsprint	593	588	590	2,930	2,947	-0.6
Printing & Writing	2,061	1,903	1,975	10,053	9,960	0.9
Uncoated Groundwood (s)	159	151	142	791	718	10.1
Coated Groundwood (s)	385	279	400	1,741	1,834	-5.1
Coated Free Sheet (s)	323	306	310	1,603	1,569	2.2
Total Coated Paper (s)	709	586	710	3,345	3,403	-1.7
Uncoated Free Sheet Paper (s)	1,055	1,033	989	5,244	5,159	1.6
Thin Paper (s)	13	12	13	63	77	-17.7
Cotton Fiber Paper (s)	13	15	13	67	68	-0.8
Bleached Bristols (s)	112	106	107	543	535	1.5
Tissue Paper	512	491	508	2,503	2,484	0.8
Total Pkg & Other Paper	390	391	365	1,945	1,913	1.7
Unbl. Kraft Paper (s)	188	191	173	957	947	1.0
Bl. Kraft Paper (s)	30	33	31	164	159	3.1
Specialty Pkg. Paper	55	53	54	263	266	-0.9
Special Industrial Paper (s)	117	114	106	562	542	3.7
TOTAL PAPER	3,555	3,374	3,438	17,431	17,304	0.7
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,869	1,814	1,787	9,202	8,864	3.8
Unbleached Kraft Linerboard *	1,729	1,694	1,672	8,556	8,216	4.1
Other Unbl. Kraft Paperboard	139	120	115	646	648	-0.3
Semichemical Paperboard	502	490	485	2,443	2,334	4.7
Bleached Paperboard	425	396	379	1,988	1,880	5.7
Recycled Paperboard	1,017	972	960	4,993	4,748	5.2
TOTAL PAPERBOARD	3,812	3,673	3,610	18,626	17,826	4.5
TOTAL PAPER & PAPERBOARD	7,368	7,047	7,048	36,058	35,130	2.6

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	MAY 1994	APR 1994	MAY 1993	FIVE MONTHS 1994	FIVE MONTHS 1993	%CHANGE YR TO DATE 1994/1993
Total	686	738	734	3,458	3,515	-1.6%
Total Sulfate	669	723	710	3,381	3,435	-1.6%
Bleached Sulfate	652	708	693	3,294	3,347	-1.6%
Softwood	386	411	396	1,935	2,055	-5.8%
Hardwood	266	297	297	1,360	1,292	5.2%
Unbleached	17	15	17	87	89	-2.5%
Sulfite Blch & Unblch	18	15	24	77	80	-3.5%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,290	5,333	5,081	26,236	26,009	0.9%
Recovered Paper	2,515	2,357	2,387	12,128	11,586	4.7%

* Includes all unbleached kraft paperboard exports

(s) - Shipments

R - Revised

P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA July 8, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD – Tons (000)			MAR	APR	MAY		
Total Production (AFPA)..........: excluding :	82,941	84,944	7,519	7,046	7,367	86,526	2.6
Total Seasonally Adjusted..........: construction :			7,296	7,175	7,402	86,889	2.6
Imports (including Products).......: and wet :.....E	12,406	13,831	1,239	1,175	1,166	13,891	2.2
Exports (including Products).......: machine :.....E	8,946	9,099	927	912	863	10,236	14.0
Apparent Consumption...............: grades :.....E	86,401	89,524	7,607	7,439	7,705	90,544	1.4
Paper Production % Tonnage Capacity	91.1	91.8	92.5	88.5	90.4	91.3	
Paperboard Production % Tonnage Capacity	94.4	94.8	98.8	96.4	97.2	97.6	
PAPER, PAPERBOARD & PRODUCTS			MAR	APR	MAY		
Imports.....:Including Construction and :.....E	12,543	13,971	1,251	1,188	1,178	14,029	2.2
Exports.....: WMB Grades (excl. HPB) :.....E	8,971	9,126	928	913	865	10,253	13.9
Market Wood Pulp Shipments - Tons (000)	8,291	8,386	701	738	686	8,299	-1.6
Wood Pulp Imports - Tons (000).....E	4,882	5,320	482	425	448	5,398	-0.1
Wood Pulp Exports - Tons (000).....E	6,421	5,851	564	500	477	5,723	-5.1
Raw Materials Consumption - Tons (000)							
Wood Pulp.............:consumption for:	56,873	62,356	5,295	5,333	5,290	62,967	0.9
Recovered Paper.......:constuction & :	25,336	27,995	2,553	2,357	2,515	29,106	4.7
Total..............: WMB grades :	80,168	90,351	7,849	7,690	7,805	92,073	2.0
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	8,997	8,741	8,729	106,423	0.2
Employment (000)			MAR	APR	MAY		
Paper and Allied Products..RS.......Total	687.3	689.4	679.9	678.7	681.1	680.6	-1.2
Pulp, Paper and Board Mills..RS.....Total	238.8	235.4	230.7	228.9	229.2	230.4	-2.4
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	13.07	13.41	13.61	13.66	13.70	13.6	2.7
Pulp, Paper Mills.......RS	16.19	16.71	16.99	17.11	17.09	17.0	3.5
Paperboard Mills........RS	16.24	16.77	16.98	17.20	17.14	17.1	2.9
New Plant & Equip. Expenditures, Paper & Allied Prod.			IIIQ '93	IVQ '93	IQ '94		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.30	9.64	10.67	10.01	10.79 y	2.5
Index of Output per Man-Hour (1987=100)			MAR	APR	MAY		
:In Pulp, Paper:...Production Workers	113.2	117.4	122.2	121.8	124.4	121.7	3.7
:and Board Mills:...All Employees	112.9	117.1	122.6	122.3	125.1	122.0	4.4
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	10,863	10,894	11,166	26,006	0.5
Pulp, Paper and Paperboard*	53,442	52,111	4,271	4,248	4,394	51,458	-1.8
Inventories (End of Period) - Total Industry*	13,387	13,487	13,459	13,466	13,501	13,501	-0.1
Pulp, Paper and Paperboard*	5,535	5,783	5,834	5,823	5,806	5,806	3.3
Paper & Allied Products Companies (Million $)			IIQ '93	IIIQ '93	IVQ '93	1993	
Sales (Corporations Only)	127,562	131,232	33,190	33,148	33,029	131,232	2.9
Earnings (Corporations Only)	1,213	(201)	815	(1,746)	4	(201)	N.M.
Depreciation (Corporations Only)	6,974	7,345	1,868	1,840	1,837	7,345	5.3
Net Worth (Corporations Only)	47,520	44,689	47,874	45,967	44,689	44,689	-6.0
Price Indexes (Bureau of Labor Statistics) 1982=100			MAR	APR	MAY		
Pulp, Paper & Products, ex. Building Grades	129.4	127.6	127.4	127.8	128.7	127.5	-0.5
Wood Pulp	118.9	104.3	102.2	106.4	109.2	104.1	-3.4
Waste Paper	117.4	117.7	130.9	132.4	148.0	126.9	1.1
Paper	123.2	123.8	121.9	121.2	121.4	119.9	-2.7
Paperboard	134.3	130.0	131.4	134.6	134.7	132.2	0.7
Paper Demand (Indexed: 1987=100)			MAR	APR	MAY		
Total Paper Production *	110.8	112.9	114.7	111.5	116.8	114.1	0.8
Paper New Supply *	102.5	106.5	108.4	104.2	108.6	106.5	-0.3
Demand Indicators - (Weighted Average) *	101.0	105.6	108.1	107.9	108.5	107.6	2.2
Production of Nondurable Goods..RS........*....(21.2%)	106.6	108.7	111.5	111.4	111.7	110.9	2.4
Disposable Income.............................*....(23.9%)	110.4	112.5	116.0	115.7	116.9	115.6	3.8
Total Printing and Publishing..RS...........*....(54.9%)	99.1	101.4	103.3	103.1	103.6	102.8	1.4
Paperboard Demand (Indexed: 1987=100)			MAR	APR	MAY		
Total Paperboard Production *	111.9	115.2	120.7	120.0	122.1	119.6	4.5
Production for Domestic Use ......E	109.6	113.5	116.3	117.6	119.7	116.6	3.3
Demand Indicators - (Weighted Average) *	106.5	110.4	114.4	114.4	114.2	114.0	4.0
Production of Consumer Goods..RS.........*....(62.06%)	105.9	108.8	111.8	111.8	111.2	111.5	2.7
Production of Equipment..RS..................*....(5.75%)	111.3	118.6	125.5	126.0	126.9	125.5	7.6
Production of Materials..RS...................*....(32.19%)	107.8	112.0	117.5	117.4	117.8	117.0	5.6
Market Data			MAR	APR	MAY		
Newsprint Consumption (SAAR) - Tons (000)...R......E	12,620	12,747	13,195	12,853	12,974	13,115	2.5
Newspaper Pub. and Printing Empl. Total(000)	451	451	450	450	450	450	0.1
Magazine Advertising Pages (PIB, Inc.)	170,303	170,592	15,296	16,376	16,052	172,634	2.5
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	54,172	58,847	5,393	5,020	5,249	25,360	8.7
Inventories (End of Period)	5,569	6,181	6,411	6,552	6,553	6,553	14.6
Fibre Box Data (Fibre Box Association)			MAR	APR	MAY		
Fibre Box Shipments (Million square feet)	335,696	353,755	31,941	31,335	30,087	361,426	4.6
Container'bd Inventory at Mill & Plant (000 Tons)	2,918	2,501	2,561	2,528	2,412	2,412	-12.8
Retail Trade (Billion $)							
Total Retail Sales *	1,959	2,080	185	183	183	2,189	7.5
Nondurable Goods Stores Sales *	1,252	1,296	112	111	111	1,331	3.5
General Economic Data			MAR	APR	MAY		
Total Industrial Production (Index 1987 = 100)*	106.5	111.0	115.7	115.9	116.1	115.5	5.0
Producer Prices (All Commodities, Index: 1982=100)	117.2	118.9	119.7	119.8	119.9	119.5	0.6
Consumer Prices (All Items-Urban Con.) (1982-4=100)	140.3	141.9	147.2	147.4	147.5	147.0	2.5
Gross Domestic Product - Annual Rate (Billion$) *			IIIQ '93	IVQ '93	IQ '94		
G.D.P. or Expenditure - Current $	6,038.5	6,377.9	6,395.9	6,526.5	6,623.1	6,623.1	3.8
G.D.P. or Expenditure - 1987 $	4,986.3	5,136.1	5,138.3	5,225.6	5,269.5	5,269.5	2.6
Paper & Paperboard Consumption - Pounds per Capita	676	693				694	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

Paper, Paperboard & Wood Pulp

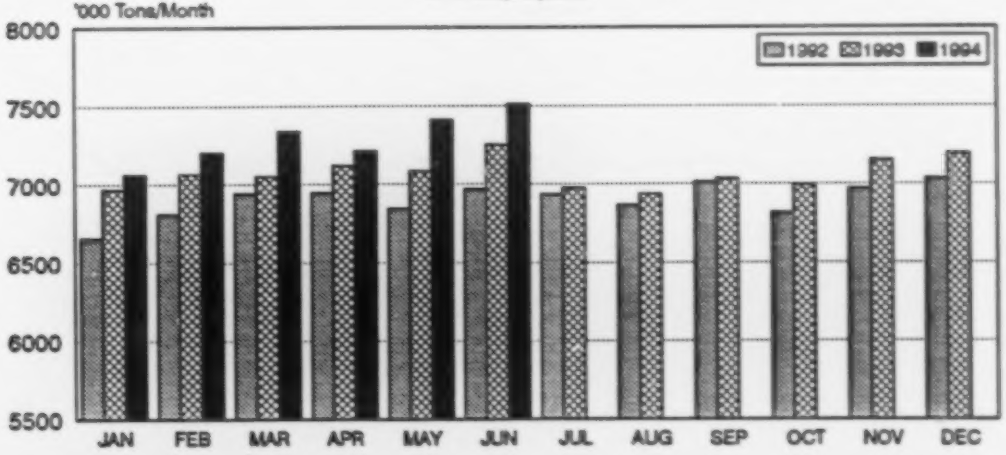
A Monthly Statistical Summary from the American Forest & Paper Association

July 1994

HIGHLIGHTS

- Seasonally-adjusted paper and paperboard production rose to new highs in May and June, with much of the advance deriving from a firming in paper demand. On a year-to-date basis, however, paperboard has been the chief source of strength, with production up 4.8% through June versus paper's 0.8% gain.
- Production of paper and paperboard was up 2.8% through mid-year, outpacing the 1.6% increase in U.S. apparent consumption. Whereas foreign trade flows limited the growth of U.S. paper and paperboard production in 1993, they have had a beneficial impact this year. In particular, exports of paper, paperboard and converted productions were up 13.5% through May (505,000 tons), while imports increased 3.1% (176,000 tons).
- Exports have been the chief source of strength behind newsprint shipments this year. Domestic newsprint consumption also increased but publisher inventory drawdowns exerted an offsetting impact on effective demand.
- Printing and writing paper shipments rose 1.3% through June, but grade-specific performances varied widely.
- Containerboard production scored a 4.9% increase through the first six months of 1994, with expanded production for export accounting for 43% of the overall gain.
- Exports of recovered paper have gained significant ground through May -- +8.8% -- after weakening during the prior two years.(See page 12 for details.)

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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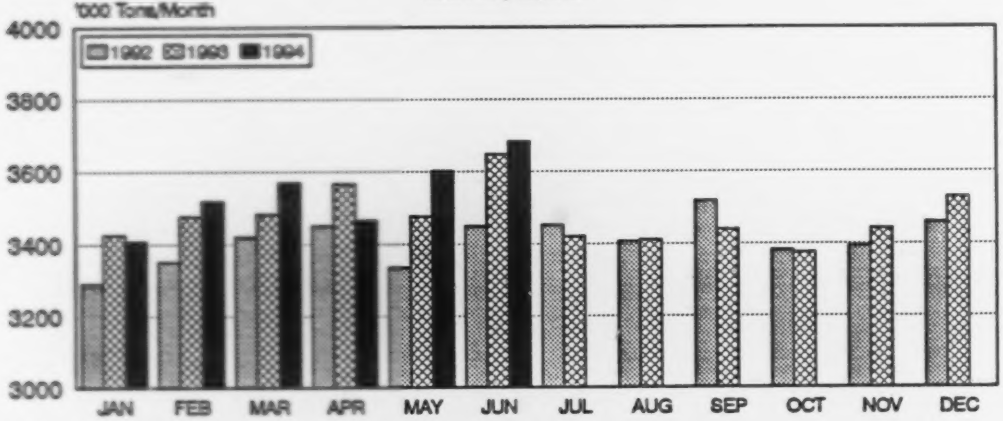
Paper: After easing in April, seasonally-adjusted paper production rebounded in May and reached a new record high in June. Second quarter production was up 2.4% relative to the first three months of 1994 and 0.6% when compared with the second quarter of 1993. Year-to-date paper production through June posted a 0.8% gain.



TOTAL PAPER PRODUCTION
seasonally adjusted

U.S. newsprint shipments exceeded their year-ago level by 1.7% in the second quarter and were up 0.5% during the first six months of 1994. Exports rose 9.4% through June, reflecting an improving demand picture overseas. Shipments to the domestic market have been impacted by inventory drawdowns. In particular, publishers' stocks were reduced by 4.6% since December and 21.5% since June 1993. Underlying domestic consumption of newsprint is estimated to have risen 2.4% versus year ago during the first half of 1994.

Although newsprint shipments from Canada to the U.S. were off sharply through mid-year, Canadian newsprint shipments to other nations jumped 24%. Overall, Canadian newsprint shipments to Canada, the U.S. and other nations held flat versus year-ago levels through June.

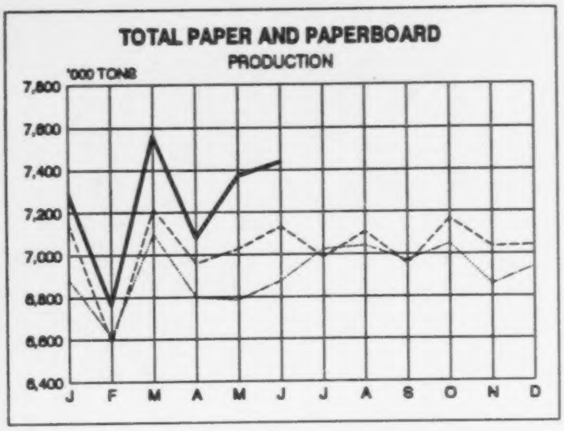
Shipments of the four major printing-writing paper grades rose 1.4% through June, while new supply (domestic shipments plus imports less exports) increased by a marginally stronger 1.6%. The comparatively small growth differential between shipments and new supply reflected this year's somewhat more balanced trade flows. Exports of the four major printing-writing paper grades rose 20% on a year-to-date basis through May, while imports advanced 8.7%. However, because the import gains came off a larger base, they represent a more substantial tonnage increase -- i.e., 158,00 tons versus a 79,000 ton gain for imports.

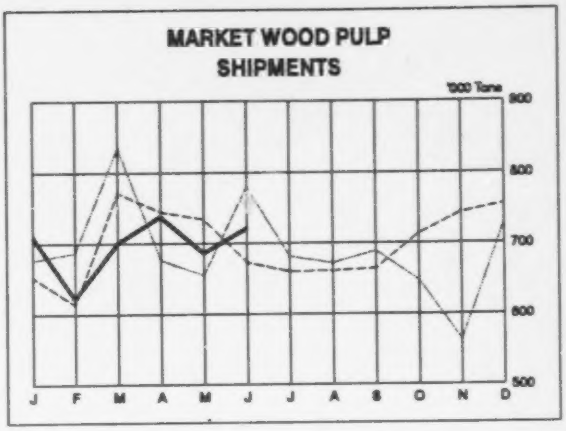
The major printing-writing paper grades turned in widely varying performances during the first half of 1994. Uncoated groundwood shipments (+7.6% through June) registered the strongest gain, much of it due to increased use by business forms converters. Domestic producers captured most of this year's increase in demand for uncoated groundwood with imports ahead 3.5% through May, less than half the rate of domestic shipments growth.

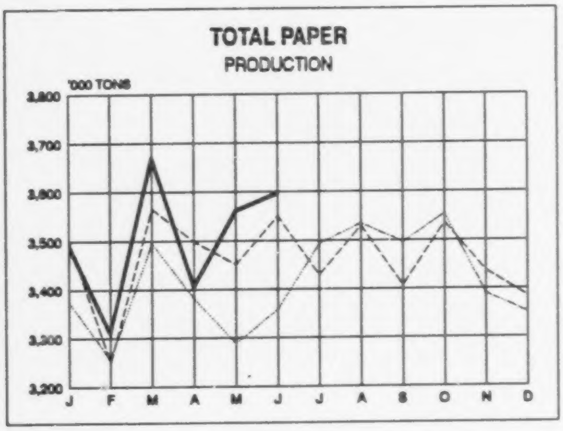
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		MAR	APR	MAY (R)	JUNE (P)	Annual Rate Y-T-D	% Change From Same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
PAPER								
Newsprint - Production	7,082	7,067	592	588	593	550	6,960	-1.1
- Shipments	7,125	7,043	590	588	596	568	7,006	0.5
Printing & Writing: Total Shipments	23,394	24,062	2,162	1,935	2,066	2,158	24,432	1.3
Groundwood Paper - Shipments	1,609	1,799	177	156	159	147	1,875	7.6
- New Orders	1,655	1,883	184	166	159	153	1,958	3.9
- Unshipped Orders	164	205	161	170	173	174	174	-15.1
Coated Groundwood - Shipments	4,364	4,340	366	304	385	401	4,285	-4.6
Coated Free Sheet - Shipments	3,755	3,937	343	306	324	351	3,910	2.5
Total Coated Papers - Shipments	8,119	8,276	709	610	709	753	8,195	-1.3
- New Orders	8,151	8,377	722	732	829	814	8,735	2.0
- Unshipped Orders	903	749	656	773	889	939	939	25.4
Unctd Free Sheet - Shipments	12,170	12,355	1,133	1,035	1,058	1,118	12,730	2.4
- New Orders	12,293	12,500	1,240	1,116	1,014	1,246	13,317	4.2
- Unshipped Orders	720	893	857	931	879	973	973	8.9
Thin Papers - Shipments	175	169	12	12	13	10	147	-17.3
Cotton Fiber Paper - Shipments	159	160	15	15	13	13	160	-0.9
Bleached Bristols - Shipments	1,163	1,303	116	106	114	118	1,326	2.8
Tissue Paper - Production	5,784	6,008	507	491	512	497	5,999	0.4
Total Packaging & Other Paper	4,713	4,608	408	392	390	393	4,679	1.4
Unbl. Kraft Paper - Shipments	2,380	2,259	196	191	188	201	2,315	1.5
Bl. Kraft Paper - Shipments	403	400	35	33	30	32	391	1.8
Specialty Pkg. Paper - Production	687	644	56	53	55	54	635	-0.6
Special Industrial Paper - Production	1,244	1,304	121	115	117	106	1,337	2.2
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,745	3,669	3,406	3,561	3,597	42,070	0.8
TOTAL PAPER PRODUCTION - SEAS ADJ			3,569	3,465	3,600	3,682	42,481	0.8
PAPERBOARD - PRODUCTION								
Containerboard	29,374	29,821	2,699	2,545	2,605	2,628	31,002	4.9
Cont'bd For Dom Use for Fibre Boxes	25,763	26,409	2,341	2,240	2,299	2,308	27,091	3.4
Total Linerboard	17,785	18,235	1,594	1,534	1,571	1,583	18,531	2.2
Unbleached Kraft	16,850	16,732	1,446	1,402	1,428	1,442	16,881	1.4
Solid Bleached	150	158	13	14	13	15	157	6.4
Recycled	784	1,346	135	119	131	127	1,493	12.6
Corrugating Medium	7,978	8,173	746	705	727	725	8,560	5.9
Semichemical	5,582	5,507	494	473	492	484	5,707	4.5
Recycled	2,396	2,666	253	232	235	241	2,853	8.8
Other Containerboard for Dom Use	345	309	24	20	26	26	290	-13.4
Containerboard for Export	3,267	3,103	335	285	281	294	3,622	20.6
Boxboard	12,611	13,392	1,191	1,129	1,207	1,212	13,930	4.5
Boxboard for Packaging for Dom Use	7,338	7,768	672	649	681	692	7,953	2.4
Folding Boxboard	5,519	5,863	495	486	509	522	5,940	1.3
Solid Bleached	1,757	1,828	153	157	172	178	1,895	5.3
Unbleached Kraft	1,143	1,197	96	100	114	116	1,286	5.8
Recycled *	2,620	2,838	247	229	224	228	2,760	-3.1
Set-up Boxboard for Dom Use	283	323	29	28	28	26	319	1.0
Milk Carton & Food Service Dom Use	1,536	1,583	147	135	144	144	1,694	6.4
Other Boxboard for Domestic Use	4,153	4,479	407	376	416	403	4,755	7.1
Boxboard for Export	1,119	1,145	112	104	111	117	1,223	8.6
Paperboard Production by Furnish	41,985	43,213	3,890	3,673	3,812	3,840	44,933	4.8
Unbleached Kraft	21,658	21,447	1,911	1,814	1,869	1,892	22,189	4.2
Semichemical	5,762	5,672	511	490	502	498	5,881	4.3
Solid Bleached Kraft	4,503	4,583	413	396	425	436	4,849	6.9
Recycled	10,063	11,510	1,056	972	1,017	1,014	12,014	5.3
Paperboard Production for Export	4,386	4,249	447	389	391	411	4,845	17.3
Unbleached Kraft	3,320	3,209	345	292	302	308	3,733	20.6
Semichemical	180	165	17	17	10	14	174	-2.8
Bleached Kraft	812	795	75	68	73	77	833	7.5
Recycled	74	79	9	11	7	12	105	31.4
TOTAL PAPERBOARD PRODUCTION - UNAD	41,985	43,213	3,890	3,673	3,812	3,840	44,933	4.8
TOTAL PAPERBOARD PROD - SEAS ADJ			3,766	3,744	3,808	3,829	44,960	4.8
PAPER AND PAPERBOARD - UNADJ	82,958	84,957	7,559	7,080	7,373	7,437	87,002	2.8
PAPER AND PAPERBOARD - SEAS ADJ			7,335	7,210	7,409	7,510	87,441	2.8

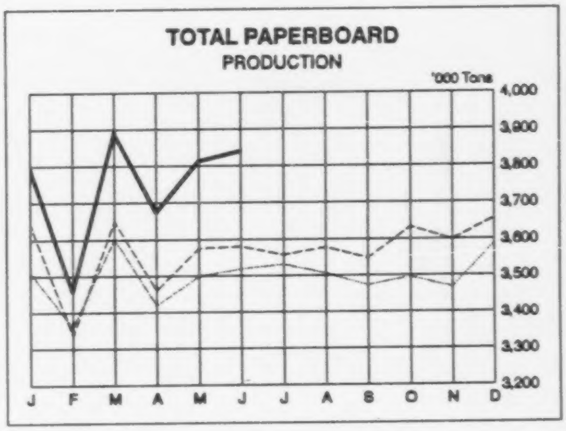
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

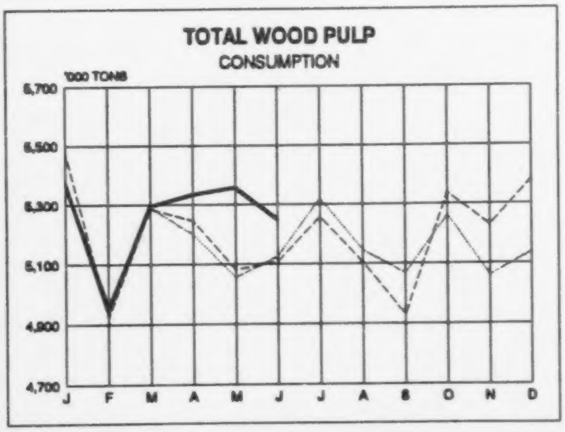
* Container Chip and Filler reclassified into Recycled Corrugating Medium

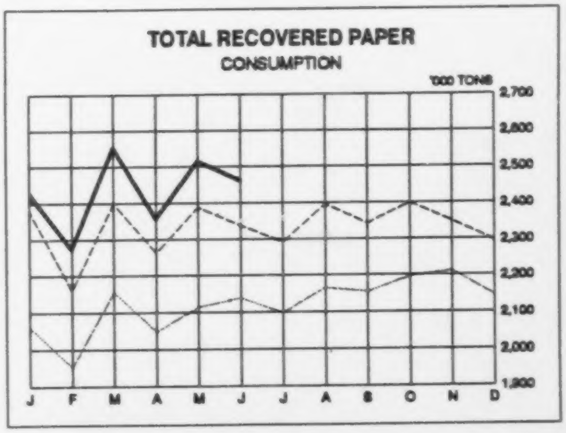

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

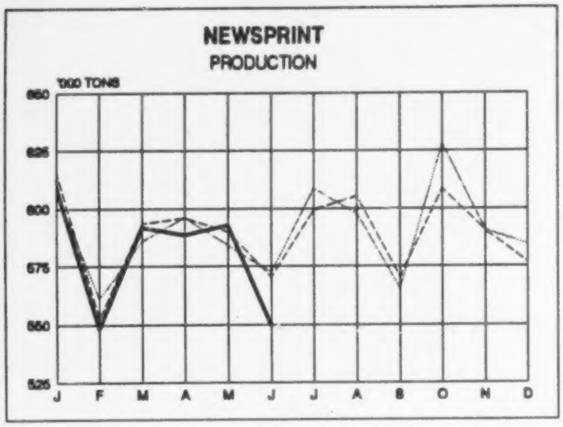
1992 .... 1993 ------ 1994 ——

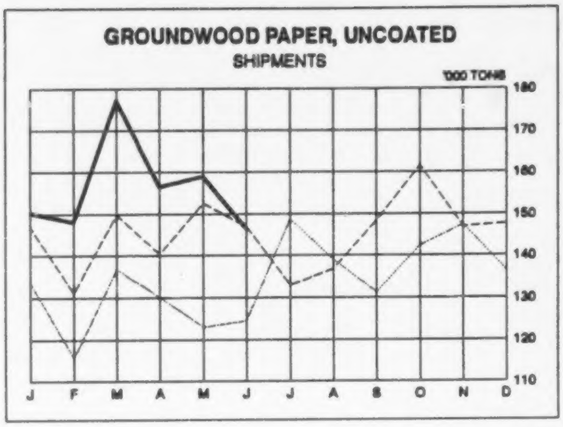
WOOD PULP STATISTICS (Thousands of Tons)		YEAR 1992	YEAR 1993	MAR 1994	APR 1994	(R) MAY 1994	(P) JUN 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
TOTAL WOOD PULP									
Total Wood Pulp	Production	63,960	62,908	5,299	5,386	5,292	5,200	63,242	0.8%
(Paper Grades)	Imports	4,882	5,320	482	425	517	475	5,586	4.4%
	Exports	6,421	5,850	564	500	516	527	5,900	-2.8%
	New Supply	62,421	62,377	5,217	5,312	5,293	5,148	62,928	1.7%
Paper Grades	Production	53,358	52,738	4,461	4,545	4,461	4,364	53,288	1.6%
Chemical Pulp	Imports	4,570	4,889	447	393	480	440	5,147	5.7%
	Exports	6,321	5,747	556	496	510	520	5,822	-1.8%
	New Supply	51,607	51,880	4,352	4,442	4,432	4,283	52,613	2.3%
Groundwood and	Production	6,501	6,158	495	502	496	504	5,959	-4.9%
Thermo-Mech.	Imports	312	431	36	33	36	35	439	-8.2%
	Exports	100	104	8	4	6	6	79	-45.7%
	New Supply	6,713	6,485	523	531	526	533	6,319	-4.2%
Semi-Chemical	Production	4,101	4,012	343	339	335	332	3,995	-0.8%
	Imports								
	Exports								
	New Supply	4,101	4,012	343	339	335	332	3,995	-0.8%
MARKET WOOD PULP									
Paper Grades	Production	8,670	8,117	662	677	674	697	8,150	0.0%
Chemical Pulp	Imports	2,946	3,132	307	269	325	304	3,452	12.9%
	Exports	5,906	5,571	460	495	444	489	5,489	-0.8%
	New Supply	5,709	5,678	510	452	554	512	6,113	7.8%

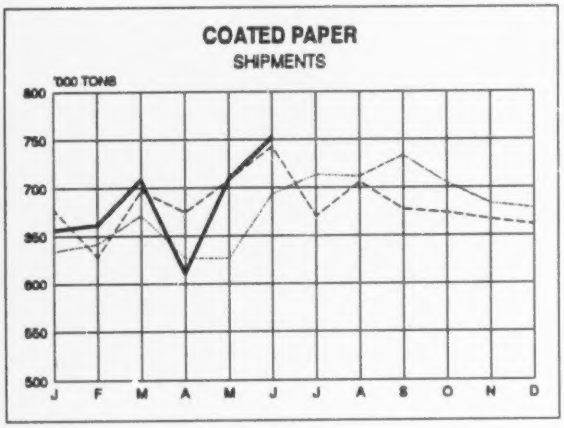
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AFPA. Total Wood Pulp Imports & Exports - Department of Commerce.

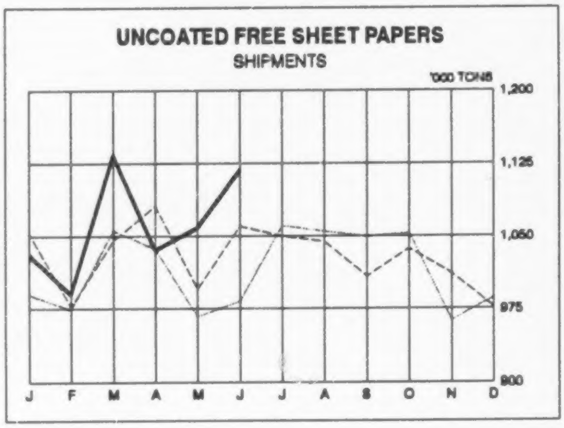
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR 1992	YEAR 1993	MAR 1994	APR 1994	(R) MAY 1994	(P) JUN 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,849	7,690	7,873	7,711	92,286	2.4%
Total Wood Pulp	62,011	62,356	5,295	5,333	5,358	5,249	63,107	1.4%
Recovered Paper	25,440	27,995	2,553	2,357	2,515	2,462	29,179	4.8%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	230	195	204	198	167	168	168	-17.9%
Producers' Market Inventories	507	614	647	586	574	550	550	-28.4%
Consumers' Purchased Inventories *	423	382	373	397	394	390	390	-2.5%
Recovered Paper at Paper & Bd. Mills	1,126	1,097	969	968	905	927	927	-15.5%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	26	29	25	25	23	23	-28.1%

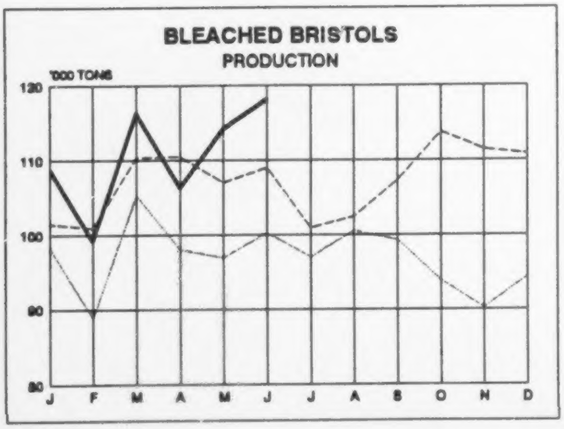
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AFP N/A - Not Available
Recovered Paper Data: Paper Recycling Committee, AFPA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

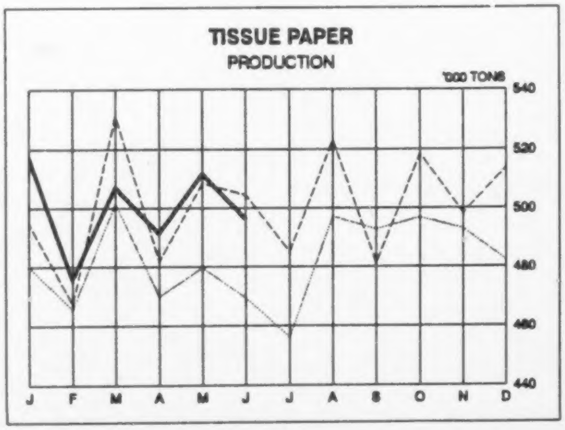

NEWSPRINT
PRODUCTION


GROUNDWOOD PAPER, UNCOATED
SHIPMENTS


COATED PAPER
SHIPMENTS


UNCOATED FREE SHEET PAPERS
SHIPMENTS


BLEACHED BRISTOLS
PRODUCTION


TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR 1992	 1993	Mar 1994	Apr 1994	May 1994	Jun 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,062	9,103	8,664	8,634	8,821	106,122	1.0
- Total Consumpt	104,598	105,275	8,997	8,741	8,729	8,743	106,172	0.3
- Residues *	39,784	43,134	3,758	3,718	3,618	3,601	43,482	1.3
- Inventories	5,314	5,989	5,771	5,644	5,503	5,561	5,561	11.4
So. Atlantic - Total Receipts	33,704	34,958	2,933	2,864	2,816	2,881	34,476	-1.2
- Total Consumpt	34,015	34,693	2,951	2,833	2,851	2,835	34,684	-0.5
- Residues *	13,173	14,916	1,261	1,245	1,218	1,237	14,930	1.1
- Inventories	1,199	1,503	1,315	1,311	1,307	1,360	1,360	6.3
Northeast - Total Receipts	7,511	7,791	706	647	629	601	7,842	0.6
- Total Consumpt	7,341	7,751	656	656	617	596	7,676	-2.0
- Residues *	1,800	1,782	156	157	168	159	1,872	0.9
- Inventories	347	330	383	339	323	329	329	15.0
South Central - Total Receipts	42,665	44,542	3,903	3,741	3,730	3,790	45,282	4.4
- Total Consumpt	42,956	44,039	3,849	3,678	3,744	3,797	45,206	3.2
- Residues *	15,544	17,596	1,577	1,552	1,511	1,538	18,038	3.4
- Inventories	1,736	2,128	1,912	1,950	1,891	1,845	1,845	18.2
North Central - Total Receipts	7,310	7,419	682	463	586	657	7,760	5.3
- Total Consumpt	7,339	7,508	668	642	653	633	7,740	1.0
- Residues *	1,139	1,118	102	97	93	103	1,142	8.1
- Inventories	813	721	942	807	737	772	772	13.2
West - Total Receipts	12,701	11,372	879	949	873	892	10,762	-7.3
- Total Consumpt	12,947	11,284	873	932	864	882	10,866	-7.0
- Residues *	8,128	7,722	662	667	628	564	7,500	-3.9
- Inventories	1,219	1,307	1,219	1,237	1,245	1,255	1,255	6.0

* - Consumption of Residues in Cord Equivalents.

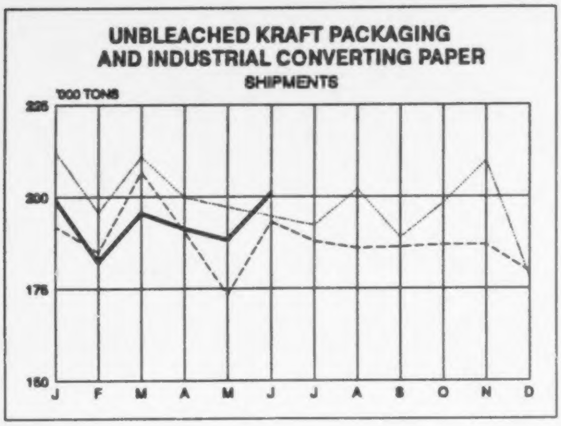
SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA YEAR 1993 Tons	 ($000's)	 April 1994 Tons	 ($000)	 May 1994 Tons	 ($000)	Annual Rate Y-T-D 1994 Tons	% Change From same Period Last Year
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M.
Pulpwood chips	360,080	16,098	7,887	416	4,637	270	102,318	-68.6
Wood Pulp, Total	4,662,246	1,608,657	393,007	139,169	413,215	150,091	4,871,885	1.3
Waste Fibrous Materials, Total	127,838	19,399	17,325	1,816	17,437	2,037	207,660	52.7
Paper, Board & Products, Total	11,548,456	5,681,810	977,194	491,227	1,024,863	515,325	11,811,806	-0.6
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	950,220	437,106	994,301	456,090	11,491,564	-1.3
Paper, Paperboard & Products	11,427,296	5,653,489	965,950	488,383	1,014,241	512,619	11,689,489	-0.7
Paper & Paperboard, Only	11,170,712	5,129,264	938,977	434,262	983,680	453,383	11,369,246	-1.4
Paper, Total	10,249,618	5,221,372	853,054	402,855	895,945	419,761	10,312,057	-3.4
Newsprint	7,630,129	3,546,762	597,853	249,189	633,685	262,455	7,466,747	-7.2
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	219,799	126,249	226,921	129,356	2,466,924	7.4
Pack. & Ind. Conv. Paper	204,576	125,317	20,936	11,889	20,674	12,424	229,132	14.4
Special Industrial Paper	60,409	101,041	5,570	9,058	5,447	8,876	62,332	4.7
Tissue Paper	73,952	56,474	8,895	6,470	9,218	6,649	86,922	30.5
Paperboard, Total	921,094	343,269	85,923	31,407	87,735	33,622	1,057,189	22.4
Convtd Paper&Paperbd Products	256,584	556,374	26,974	54,121	30,561	59,235	320,242	36.1
Wet Machine Board	800	749	64	58	109	98	940	-4.4
Construction Paper & Board	120,361	30,217	11,180	2,786	10,512	2,608	121,377	8.7

	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	38,965	1,496	60,817	2,163	2,273,510	-13.8
Pulpwood chips	363,398	18,332	49,207	2,158	73,500	3,439	669,798	114.7
Wood Pulp, Total	313,005	133,450	26,258	10,079	27,958	10,586	335,141	-6.6
Cotton Pulp & Other Pulp	5,710	3,341	319	241	506	321	4,153	-53.6
Waste Paper	1,182,448	142,952	121,021	12,921	129,360	14,614	1,321,525	10.4
Paper, Board & Products, Total	1,710,071	1,658,778	149,224	144,855	152,919	155,934	1,737,749	4.7
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	110,600	82,806	110,189	86,411	1,251,326	5.2
Paper, Paperboard & Products	1,704,072	1,656,494	148,664	144,617	152,272	155,625	1,732,435	4.7
Paper & Paperboard, Only	1,225,877	928,862	110,040	82,568	109,541	86,102	1,246,012	5.2
Paper, Total	671,502	687,704	54,762	55,185	56,542	57,657	678,344	0.7
Newsprint	14,376	6,997	702	370	704	362	9,215	-48.9
Printing, Writing & Rel. Pap.	480,105	470,309	40,653	38,732	40,085	38,022	497,554	1.5
Pack. & Ind. Conv. Paper	56,540	42,700	3,469	2,695	4,580	3,312	50,642	-7.4
Special Industrial Paper	85,450	133,523	6,132	9,852	7,0[illegible]	12,408	78,660	-2.5
Tissue Paper	35,031	34,175	3,805	3,536	3,476	3,553	42,273	37.9
Paperboard, Total	554,375	299,348	55,279	27,383	53,000	28,445	567,668	11.3
Convtd Paper&Paperbd Products	478,195	754,164	38,624	62,049	42,731	69,523	486,423	3.4
Wet Machine Board	0	0	0	0	0	0	0	N.M.
Construction Paper & Board	5,999	2,402	560	238	647	309	5,315	5.6

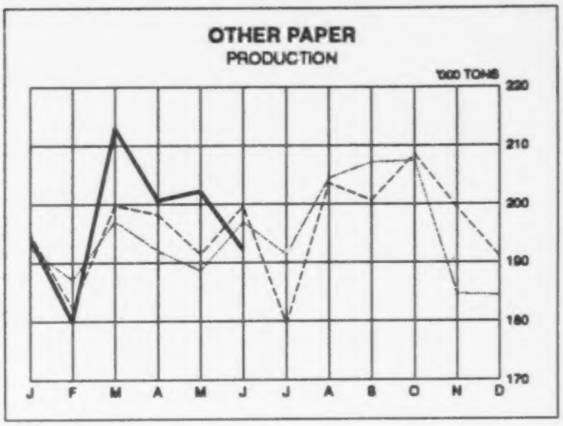
SOURCE: Bureau of Census, Department of Commerce.

N.M. - Not Meaningful



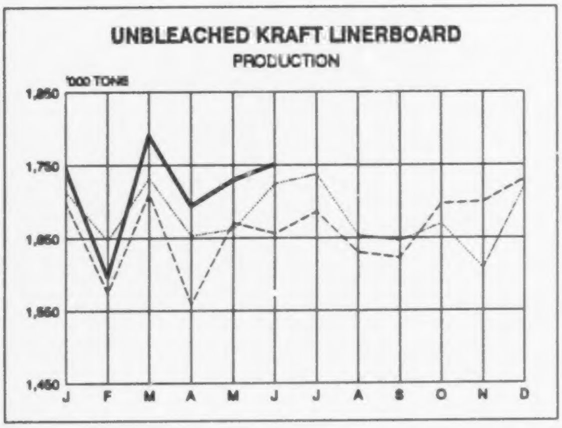
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



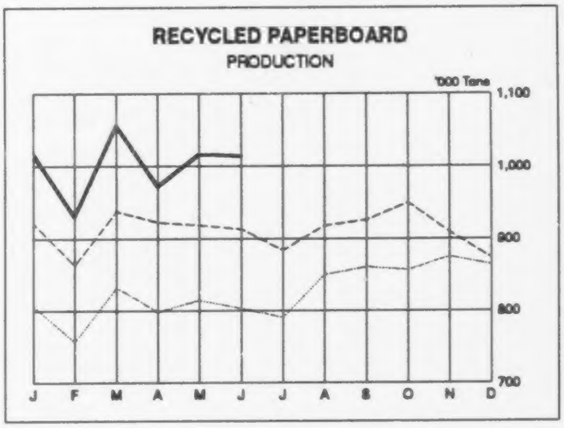
OTHER PAPER

PRODUCTION



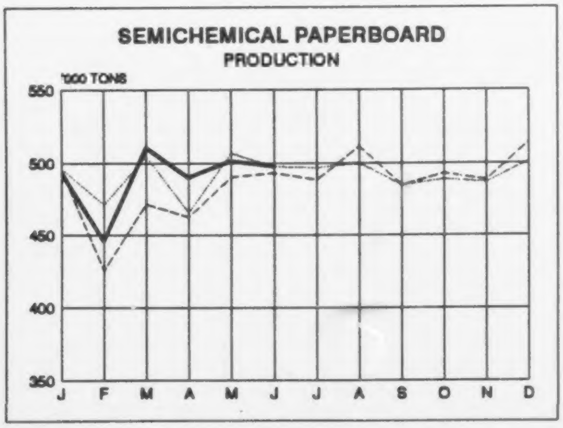
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



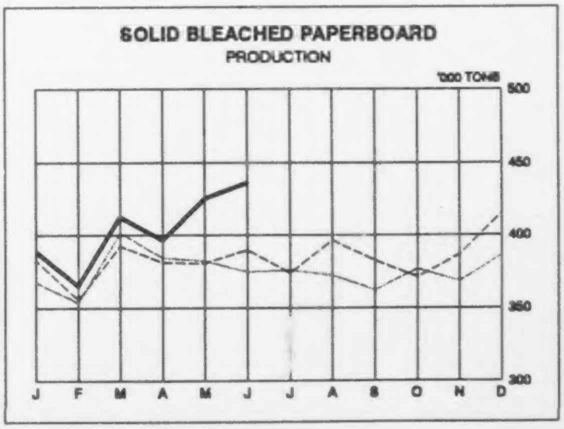
RECYCLED PAPERBOARD

PRODUCTION



SEMICHEMICAL PAPERBOARD

PRODUCTION



SOLID BLEACHED PAPERBOARD

PRODUCTION

1992 .... 1993 ------ 1994 ——

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		April 1994		May 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	15,266	1,703	10,540	1,288	568,432	56.1
Total All Imports	19,529,543	10,413,422	1,634,976	855,052	1,769,096	897,422	20,005,494	3.4
Wood Pulp Total	5,412,797	1,860,163	427,381	149,996	522,402	184,991	5,631,031	2.9
Waste Paper	137,835	22,285	18,224	2,002	17,954	2,242	214,353	51.2
Other Fibrous Materials	8,143	4,425	1,296	1,024	1,280	1,094	11,267	83.2
Paper Board & Products Total	13,970,768	8,526,549	1,188,075	702,029	1,227,460	709,094	14,148,844	3.1
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,136,767	582,583	1,174,823	586,102	13,535,061	1.9
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,175,403	697,739	1,215,389	704,905	14,009,479	3.1
Paper & Paperboard Only	13,330,595	7,195,151	1,124,095	578,294	1,162,753	581,913	13,395,697	1.9
Paper Total	12,250,220	6,753,643	1,023,797	539,282	1,053,036	537,601	12,171,358	0.2
Newsprint	7,783,906	3,593,326	610,217	252,583	644,623	265,208	7,560,132	-7.9
Printing & Writing	3,964,250	2,570,081	365,764	230,291	357,587	214,502	4,070,220	16.9
Uncoated Groundwood	1,733,551	1,001,611	171,273	96,007	155,719	85,251	1,832,202	17.8
Coated Print.& Impreg. Pap.	1,136,928	823,565	96,745	73,056	98,606	67,460	1,091,972	16.2
Uncoated Free Sheet	991,249	618,187	85,803	60,158	90,728	49,995	1,017,804	15.6
Thin (except Cigarette)	6,759	10,183	516	633	801	893	6,100	-24.6
Bristols	115,764	116,534	11,426	10,438	11,733	10,903	122,142	22.6
Total Pkg & Other Paper	399,411	527,120	38,327	49,323	39,930	50,010	442,361	12.0
Unbleached Kraft Paper	177,342	93,702	19,696	9,826	19,231	9,519	209,323	24.3
Other Pkg. & Indust. Paper	222,070	433,418	18,633	39,497	20,699	40,491	233,037	2.9
Tissue	82,653	63,116	9,489	7,085	10,896	7,881	98,645	44.5
Paperboard, Total	1,080,375	441,508	100,299	39,011	109,717	44,312	1,224,339	22.6
Kraft Paperboard	217,945	81,638	24,060	9,146	23,305	9,297	264,061	33.8
Semi-Chemical Corrugating	267,438	65,898	26,910	7,054	23,241	6,119	340,591	49.0
Other Paperboard	594,992	293,972	49,329	22,811	63,171	28,896	619,687	8.2
Convtd Paper&Paperbd Products	499,972	1,283,698	51,307	119,446	52,637	122,993	613,782	38.2
Paper Products, Total	355,638	1,007,231	34,186	91,968	36,172	94,424	396,028	25.9
Paperboard Products, Total	144,334	276,467	17,122	27,478	16,464	28,569	217,755	68.0
Wet machine Board	924	842	64	58	115	102	996	-11.1
Construction Paper & Board E	139,278	46,857	12,608	4,232	11,955	4,087	138,368	5.1
Notes								
Other: No Weight Avail. ($000)		170,733		13,977		16,082	141,916	3.0
Total Imports Incl. Other($000)		10,584,154		869,029		913,504	10,277,628	3.4

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		April 1994		May 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	44,021	1,558	66,709	2,236	2,337,744	-13.3
Pulpwood Chips	5,248,132	423,288	355,291	27,912	541,664	42,235	5,322,461	6.7
Total All Exports	21,637,893	9,527,479	2,053,396	882,190	2,017,079	902,198	23,212,214	6.8
Wood Pulp,Total	6,499,065	2,369,414	559,736	204,097	566,912	217,510	6,495,731	-3.2
Cotton Pulp and Other Pulp	124,656	83,505	11,584	7,175	7,817	6,375	104,006	-27.0
Waste and Old Paper	5,888,369	533,240	568,816	53,227	593,717	61,247	6,397,858	8.8
Paper, Board & Products,Total	9,125,803	6,541,320	913,260	617,691	848,634	617,067	10,214,620	13.4
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	781,871	414,746	700,900	393,480	8,560,460	15.0
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	911,624	616,826	846,548	615,880	10,195,728	13.5
Paper & Paperboard, Only	7,494,893	4,224,234	780,234	413,880	698,814	392,293	8,541,568	15.1
Paper, Total	2,586,993	2,066,927	275,440	203,264	244,976	193,332	2,914,179	15.3
Newsprint	1,019,145	496,060	102,641	47,979	79,922	39,954	1,047,737	19.3
Printing & Writing	1,120,439	980,400	131,989	100,434	118,567	93,849	1,370,204	13.6
Uncoated Groundwood	109,386	75,504	9,423	7,172	11,864	7,703	110,887	-2.3
Clay Coated Paper	342,036	282,860	39,981	29,526	30,718	23,258	392,526	8.0
Uncoated Free Sheet	425,310	435,213	64,332	48,939	51,183	45,018	620,689	35.2
Other Printing & Writing	243,707	186,823	18,254	14,797	24,802	17,870	246,100	-9.0
Total Pkg. & Other Paper	379,092	501,465	33,207	44,054	37,797	48,188	407,569	8.2
Unbleached Kraft	130,748	66,917	11,223	5,403	15,799	7,067	143,896	15.1
Other Pkg. & Indust. Paper	248,345	434,548	21,984	38,651	21,998	41,121	263,673	4.8
Tissue	68,315	89,002	7,603	10,795	8,691	11,342	88,669	34.4
Paperboard, Total	4,907,901	2,157,307	504,794	210,616	453,838	198,962	5,627,389	15.0
Solid Wood Pulp	4,645,501	2,000,622	481,009	197,324	429,458	184,986	5,359,388	16.3
Total Linerboard	2,995,058	931,801	325,115	98,150	262,226	81,794	3,507,893	19.8
Bleached Kraft Linerboard	14,552	10,840	202	152	308	238	4,093	-63.4
Unbleached Kraft Linerbd	2,980,506	920,961	324,914	97,998	261,918	81,557	3,503,800	20.1
Other Unbleached Kraft	505,984	255,357	44,581	22,575	56,357	29,096	529,703	-6.9
Other Bleached Kraft	1,025,864	776,502	102,379	73,648	97,887	70,204	1,180,983	17.2
Semi-Chemical Corrugating	118,595	36,964	8,933	2,951	12,987	3,891	140,809	34.6
Recycled Paperboard	262,399	156,685	23,785	13,293	24,381	13,976	268,001	-5.3
Convtd Paper&Paperbd Products	1,604,427	2,304,242	131,390	202,946	147,733	223,587	1,654,160	5.9
Paper Products, Total	750,263	1,469,052	60,207	127,801	66,107	140,125	750,935	12.4
Paperboard Products, Total	854,164	835,190	71,183	75,145	81,626	83,462	903,224	1.0
Wet Machine Board	596	400	0	0	198	149	568	-46.9
Construction Paper & Board E	25,886	12,445	1,637	865	1,888	1,038	18,303	-18.9
Notes								
Other: No Weight Avail. ($000)		86,234		6,942		8,154	80,102	3.4
Total Exports Incl. Other($000)		9,613,713		889,132		910,352	10,227,524	6.8

SOURCE: Bureau of Census. U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR		MAR	APR	MAY	JUN	Annual Rate Y-T-D	% Change from same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
Pulp, Paper and Products except Building Grades	129.2	127.6	127.4	127.8	128.7	130.3	128.0	-0.1
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.3	127.7	128.4	129.1	127.8	-0.3
Total Wood Pulp	118.9	104.3	102.2	106.4	109.2	112.4	105.4	-2.0
Total Paper	123.2	123.8	121.9	121.2	121.4	121.8	121.9	-1.3
Writing Paper, exc. Newsprint	120.2	120.5	117.5	116.4	116.2	116.6	117.4	-2.0
Newsprint	109.9	112.1	110.4	110.3	112.3	113.4	111.0	-1.5
Total Paperboard	134.3	130.0	131.4	134.6	134.7	134.0	132.5	1.2
Total Paper and Paperboard *	126.7	125.8	124.9	125.4	125.6	125.6	125.2	-0.4
Converted Products	134.8	133.7	133.6	133.5	134.4	135.8	134.0	-0.3
Waste Paper	117.4	117.7	130.9	132.4	148.0	196.1	139.4	11.9
All Commodities	117.2	118.9	119.7	119.8	119.9	120.4	119.7	0.6
Industrial Commodities	117.4	119.0	119.3	119.4	119.8	120.6	119.4	0.2

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AF&PA

PAPER AND ALLIED PRODUCTS INDUSTRY
SALES, EARNINGS AND BALANCE SHEET DATA
1985 - 1993
(Millions of Dollars)

	Net Sales	Net Profit Before Taxes	Ratio: NPBT/ Net Sales	Taxes	Net Profit After Taxes	Ratio: NPAT/ Net Sales	Stock-holders Equity	Return on Equity (%)	Long-term Debt	Total Assets
1987 C	86,603	8,077	9.3	3,088	4,989	5.8	35,162	14.2	20,152	76,791
1987 R	96,576	8,860	9.3	3,338	6,520	6.8	39,217	14.1	22,417	85,279
1988 C	107,014	12,204	11.4	4,127	8,077	7.5	42,933	18.8	27,067	95,296
1988 R	107,221	12,210	11.4	4,129	8,081	7.5	42,940	18.8	27,180	95,444
1989 C	112,238	10,771	9.6	3,771	7,000	6.2	45,888	15.3	33,193	107,572
1989 R	113,573	11,365	10.0	3,819	7,047	6.2	45,642	15.4	34,543	109,038
1990 C	114,686	7,187	6.3	2,343	4,844	4.2	46,462	10.4	39,961	116,812
1990 R	115,523	7,236	6.3	2,353	4,882	4.2	45,951	10.6	40,720	117,336
1991 C	111,962	3,476	3.1	1,154	2,322	2.1	46,006	5.0	43,867	120,492
1991 R	122,969	3,573	2.9	1,409	2,164	1.8	48,642	4.4	47,436	130,748
1992 C	127,356	1,994	1.5	763	1,231	1.1	48,080	3.0	60,383	138,036
1992 R	127,562	1,929	1.6	732	1,196	1.8	47,604	4.4	60,709	138,246
1993 C	131,232	1,217	0.9	1,419	(201)	N.M.	44,689	-0.4	62,673	141,052
1993 R										
I Q	127,460	4,256	3.3	1,366	2,904	2.3	47,897	6.1	62,496	141,317
II Q RD	132,760	4,712	3.5	1,448	3,260	2.5	47,874	6.8	61,872	141,113
III Q RD	132,692	(4,856)	N.M.	2,128	(6,984)	N.M.	45,967	-15.2	61,923	139,977
IV Q RD	132,116	766	0.6	744	16	0.0	44,689	0.0	62,673	141,052
Total	131,232	1,371	1.0	1,644	(273)	N.M.	44,689	-0.6	62,673	141,052
1994										
I Q	131,584	4,524	3.4	1,720	2,804	2.1	45,842	6.1	64,512	144,537
CHANGE FROM YEAR A	3.2%	6.3%	N.M.	26.8%	-3.4%	N.M.	-4.3%	N.M.	3.8%	2.5%

NOTE: Quarterly data are at annual rates. C=Consistent with the previous year's final total. R = Revised to reflect changes in the number of companies classified to this industry. N.M. - Not Meaningful.

SOURCE: Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Bureau of the Census, U.S. Department of Commerce.

Shipments of uncoated free sheet expanded 2.4% through June, with solid performances in shipments to office reprographics and envelope converts being offset by slow growth in shipments to commercial printers and reduced shipments to forms converters. New supply of uncoated free sheet was up just 1.9% as import volumes rose 16% versus year ago while exports expanded 35%.

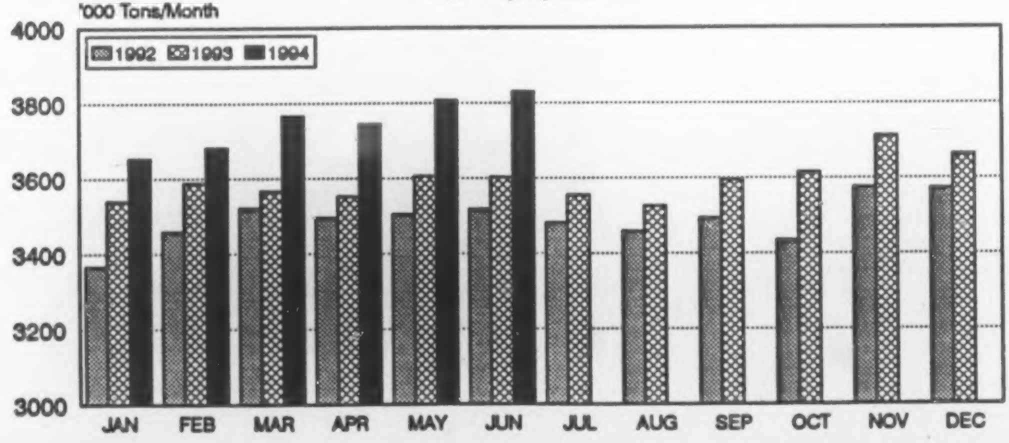
Coated paper shipments lagged their year-ago level by 1.3% through June, with coated free sheet shipments up 2.5% and coated groundwood shipments off 4.6%. Coated groundwood shipments recorded increases to most major end uses, save magazines, with a particularly large jump in shipments to the commercial printing aggregate.

Magazine advertising pages, as reported by Leading National Advertisers (LNA), was up 3.4% through June. However, on a circulation weighted basis, the increase was only 1.3%. U.S. magazine circulation increased 0.6% in 1993 following a stagnant performance in 1990 and fractional declines in 1991 and 1992. Long-term growth of magazine circulation (1980 to 1993) came 2.0% a year based on data obtained from the Magazine Publishers of America (MPA). The composition of magazine circulation changed appreciably during that period, with subscription sales rising from a 68% to 81% share and direct sales declining commensurately. Subscription sales tend to exhibit a lagged response to economic conditions, which may explain why magazine circulation continued to descend in 1992 in the face of a solid performance by the economy at large.

Kraft paper shipments exceeded their year-ago level by 3.7% in the second quarter, which offset a lagging performance during the first quarter and brought year-to-date growth to 1.6%. Paced largely by growth in the grocer's bag and sack category, shipments of unbleached kraft papers rose 4.2% versus year ago in the second quarter. Bleached kraft paper shipments exceeded their year-ago volume by 0.6% in the second quarter.

Paperboard: Paperboard production continued to exhibit strong momentum during the second quarter, with seasonally-adjusted production up 2.5% relative to the first three months of 1993 and 5.8% relative to year ago. Production through June was up 4.8% versus the first six months of 1993.

TOTAL PAPERBOARD PRODUCTION
seasonally adjusted



Containerboard production scored a 4.9% increase through the first six months of 1994 and exceeded its year-ago performance by 5.9% in the second quarter. Production for export, up nearly 21% through June, accounted for 43% of the overall year-to-date gain. Domestic markets for containerboard also remained firm with box shipments exceeding their year-ago levels by 4.7% in the first quarter of 1994 and 5.5% in the second.

The largest advances within the containerboard grade structure were made by the recycled grades. Whereas total containerboard production for box-related domestic use was 3.4% higher through June, recycled linerboard production posted a 12.6% gain and recycled medium output jumped 8.8%.

Boxboard production was up 4.5% versus year ago through June and 5.6% in the second quarter. The strongest gainers were production for export (+8.6%); "other" including gypsum wallboard facings (+7.1%); and milk carton and food service stock for domestic use (+6.4%).

Total folding boxboard production for domestic use was up only 1.3% through June as strong gains in the bleached and unbleached kraft grades were partially offset by a lagging performance on the part of recycled folding boxboard.

Sales and Earnings

First quarter sales and earnings data for paper and allied products companies was reported by the Commerce Department in its Quarterly Financial Report for Manufacturing, Mining and Trade Corporations. Summary data for 1994 and earlier years are presented in the table at the bottom of page 10.

Census reported industry sales at $32.9 billion in the first quarter of 1994, up 3.2% relative to year-ago. This was slightly ahead of the trend in paper and paperboard production, which grew by 2.5% during that same period. Net profits after taxes turned up sharply relative to the fourth quarter of 1993, but were still behind year-ago figures by 3.4%.

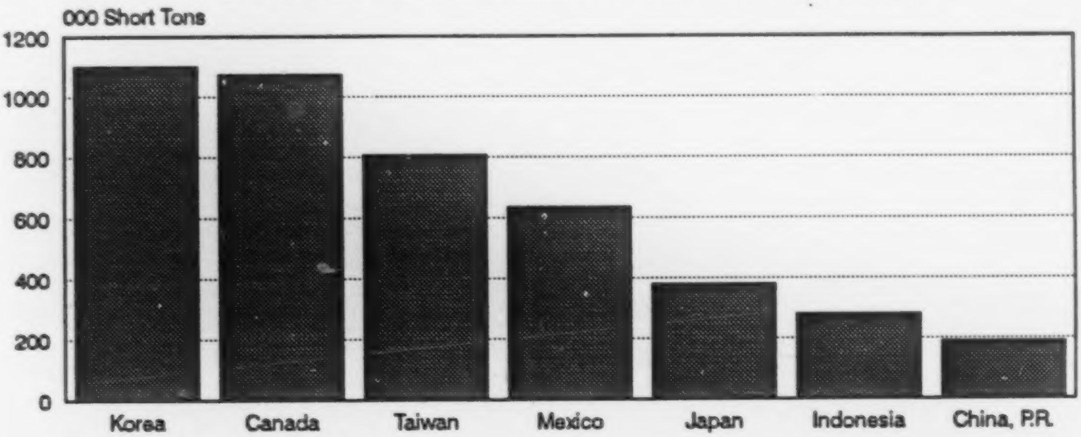
U.S. Recovered Paper Exports

After growing at an average annual rate of 12.8% between 1985 and 1990, U.S. exports of recovered paper flattened in 1991 and then declined 2.3% and 8.7% in 1992 and 1993, respectively. Underscoring the cyclical nature of foreign demand for U.S. recovered paper, exports rebounded during 1994, with year-to-date volumes through May up 8.8%.

The poor performance of U.S. recovered paper exports during the early 1990's reflected a confluence of factors, according to a recent report issued by AF&PA's International Department (Paper). They included the rapid expansion of domestic recovered paper consumption, competitive international wood pulp prices, and increased recovery throughout Europe. The report points to the rise in German recovered paper exports to the Far East as being a particularly significant factor. This year's emerging rebound in U.S. recovered paper exports appears to reflect a quickening in the tempo of world economic activity as both Germany and Japan edge out of recession.

Last year's decline in U.S. recovered paper exports was wide-ranging, according to the report, with reductions to China (-37%): Mexico (-24%); Indonesia (-18%); Taiwan (-13%); and Japan (-7%). Exports to Korea, the largest consumer of U.S. recovered paper, held relatively stable from 1992 to 1993, while exports to Canada bucked the overall downtrend and increased 49%, according to Census Bureau figures. A graph depicting the key countries of destination is shown below. In 1993, the seven leading importing nations absorbed 83.4% of U.S. recovered paper exports, up from 79.0% and 79.5% in the two previous years.

Leading 1993 Export Destinations for U.S. Recovered Paper



Source: U.S. Bureau of the Census

Grade-by-grade recovered paper export highlights are summarized below:

According Census Bureau data, exports of old newspapers (ONP) from the U.S. declined 1.3% in 1993 to 1.29 million short tons, despite increased purchases by Indonesia and Japan. However, the Census data place U.S. ONP exports to Canada at only 107,800 tons. Canadian mills reported their use of ONP reached 762,000 tons. The mill data reported to the Canadian Pulp and Paper Association (CPPA) are believed to be more reliable because the Census Bureau figures probably understate overland shipments of U.S. recovered paper to both Canada and Mexico. U.S. exports of ONP were off nearly 11% during the first five months of 1994, based on Census Bureau numbers.

Corrugated paper and paperboard (old corrugated containers, OCC) exports dropped 11% in 1993, to about 2.15 million tons. U.S. exports to Europe declined 41% in 1993, the primary reasons appearing to be the sluggish economy and mandated recovery in Europe. Overall U.S. exports of OCC to South Korea and Canada increased by some 215,000 tons, but this was not nearly enough to offset setbacks elsewhere. During the first five months of 1994, U.S. exports of OCC rebounded 23% versus their year ago volume.

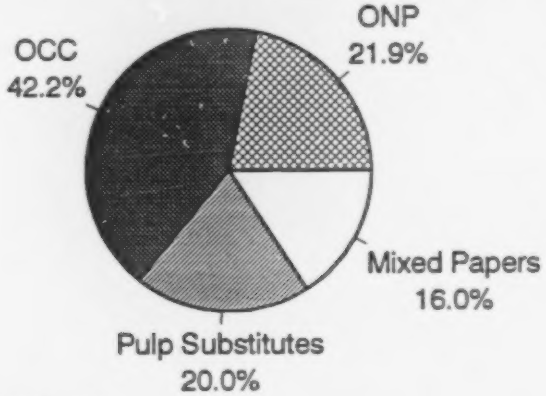
U.S. exports of high grade deinking pulp substitutes suffered from highly competitive international wood pulp prices and, as a result, declined almost 20% in 1993. The only market expansion witnessed was in Canada, where U.S. exports nearly doubled to 232,000 tons. High grade exports were off 0.6% through May of 1994.

Foreign markets for mixed paper grew 6.4% in 1993, after two previous years of decline. U.S. exports to North America rose considerably (24% for Mexico and 30% for Canada), while Far East markets slipped 9.2%. Mixed paper exports are up 13.6% so far this year.

The graph below shows the relative distribution of U.S. recovered paper exports by grade.

Relative Distribution of 1993 U.S. Recovered Paper Export Grades

Percent of Total



Source: U.S. Bureau of the Census

Copies of "U.S. Exports of Recovered Paper In 1993" are available from AF&PA's International Department(Paper). Copies have been sent to members and are available to non-members for $75/$80 overseas.

1994 PRODUCTION MATRIX

1994	JAN	FEB	MAR	APR	MAY	JUN	SUM
PAPER							
Newsprint - Production	609.0	548.2	591.7	588.5	592.8	549.7	3,479.8
- Shipments	605.5	553.4	589.6	588.5	596.2	567.9	3,503.0
Printing & Writing: Total Shipments	1,972.6	1,923.5	2,161.7	1,934.6	2,066.2	2,157.5	12,216.1
Groundwood Paper - Shipments	150.2	148.1	177.2	156.4	158.9	146.5	937.4
- New Orders	160.9	154.8	184.4	166.5	158.7	153.5	978.8
- Unfilled Orders	144.4	154.1	161.3	170.2	172.6	173.8	173.8
Coated Groundwood - Shipments	347.0	339.3	365.9	304.1	385.1	401.3	2,142.6
Coated Free Sheet - Shipments	308.9	321.9	342.7	306.4	323.7	351.2	1,954.8
Total Coated Papers - Shipments	655.9	661.2	708.5	610.4	708.8	752.6	4,097.4
- New Orders	644.9	625.7	721.7	732.3	828.7	814.0	4,367.3
- Unfilled Orders	650.9	633.0	656.2	773.2	889.1	939.2	939.2
Unctd Free Sheet - Shipments	1,030.8	989.9	1,133.1	1,034.9	1,058.2	1,117.9	6,364.8
- New Orders	1,012.7	1,029.1	1,240.0	1,116.4	1,013.9	1,246.5	6,658.6
- Unfilled Orders	715.3	754.4	857.0	931.3	879.0	972.8	972.8
Thin Papers - Shipments	14.2	12.6	11.9	12.1	12.6	10.0	73.5
Cotton Fiber Paper - Shipments	12.7	12.5	14.6	14.5	13.4	12.5	80.2
Bleached Bristols - Shipments	108.8	99.2	116.3	106.3	114.2	118.1	662.9
Tissue Paper - Production	517.2	475.8	507.1	491.4	511.6	496.5	2,999.5
Total Packaging & Other Paper	393.5	362.1	408.4	391.9	390.3	393.1	2,339.4
Unbl. Kraft Paper - Shipments	199.3	182.2	195.5	191.3	188.2	200.9	1,157.4
Bl. Kraft Paper - Shipments	34.0	31.6	35.3	32.9	29.9	32.0	195.7
Specialty Pkg. Paper - Production	51.0	47.8	56.3	53.0	55.5	54.0	317.7
Special Industrial Paper - Production	109.2	100.5	121.3	114.7	116.7	106.2	668.6
TOTAL PAPER PRODUCTION - NSA	3,492.3	3,309.5	3,668.9	3,406.4	3,560.8	3,596.9	21,034.8
TOTAL PAPER PRODUCTION - SA	3,407.1	3,517.0	3,569.0	3,465.3	3,600.4	3,681.6	21,240.4
PAPERBOARD - PRODUCTION 1994	JAN	FEB	MAR	APR	MAY	JUN	SUM
Containerboard	2,630.9	2,393.0	2,699.2	2,544.7	2,604.9	2,628.4	15,501.1
05-Aug-94							
Cont'bd For Dom Use for Fibre Boxes	2,275.4	2,083.0	2,340.8	2,239.5	2,298.6	2,308.1	13,545.4
Total Linerboard	1,551.7	1,430.3	1,594.4	1,534.3	1,571.4	1,583.3	9,265.4
Unbleached Kraft	1,417.9	1,305.0	1,445.7	1,401.9	1,427.7	1,442.3	8,440.5
Solid Bleached	12.4	12.1	13.4	13.7	12.5	14.5	78.6
Recycled	121.4	113.2	135.3	118.7	131.2	126.5	746.3
Corrugating Medium	723.7	652.7	746.4	705.2	727.2	724.8	4,280.0
Semichemical	477.9	432.7	493.5	473.1	492.2	483.9	2,853.3
Recycled	245.8	220.0	252.9	232.1	235.0	240.9	1,426.7
Other Containerboard for Dom Use	27.3	22.0	23.9	20.0	25.8	25.9	144.9
Containerboard for Export	328.2	288.0	334.5	285.2	280.5	294.4	1,810.8
Boxboard	1,163.0	1,063.4	1,191.2	1,128.6	1,207.4	1,211.6	6,965.2
Boxboard for Packaging for Dom Use	676.0	606.6	672.1	649.1	680.9	691.7	3,976.4
Folding Boxboard	504.4	453.7	495.3	486.1	508.8	521.9	2,970.2
Solid Bleached	149.1	139.5	152.6	156.5	171.5	178.3	947.5
Unbleached Kraft	120.4	96.4	96.1	100.3	113.5	116.1	642.8
Recycled	234.9	217.8	246.6	229.3	223.8	227.5	1,379.9
Set-up Boxboard for Dom Use	25.3	22.2	29.4	28.2	28.2	26.1	159.4
Milk Carton & Food Service Dom Use	146.3	130.7	147.4	134.8	143.9	143.7	846.8
Other Boxboard for Domestic Use	404.8	371.1	407.0	375.7	415.7	403.1	2,377.4
Boxboard for Export	82.2	85.7	112.1	103.8	110.8	116.8	611.4
Paperboard Production by Furnish	3,793.9	3,456.4	3,890.4	3,673.3	3,812.3	3,840.0	22,466.3
Unbleached Kraft	1,893.8	1,714.5	1,910.7	1,814.4	1,868.6	1,892.4	11,094.4
Semichemical	493.8	446.3	510.7	490.3	501.8	497.5	2,940.4
Solid Bleached Kraft	388.9	364.8	412.7	396.3	425.3	436.4	2,424.4
Recycled	1,017.4	930.8	1,056.3	972.3	1,016.6	1,013.7	6,007.1
Paperboard Production for Export	410.4	373.6	446.7	389.1	391.3	411.3	2,422.3
Unbleached Kraft	328.2	291.0	345.0	292.3	301.6	308.1	1,866.3
Semichemical	15.9	13.6	17.2	17.2	9.6	13.6	87.1
Bleached Kraft	59.9	62.4	75.2	68.2	73.3	77.5	416.4
Recycled	6.3	6.6	9.3	11.5	6.8	12.0	52.5
TOTAL PAPERBOARD PROD - NSA	3,793.9	3,456.4	3,890.4	3,673.3	3,812.3	3,840.0	22,466.3
TOTAL PAPERBOARD PROD - SA	3,651.5	3,680.9	3,766.1	3,744.4	3,806.5	3,828.5	22,480.0
PAPER AND PAPERBOARD - NSA	7,286.2	6,765.9	7,559.3	7,079.7	7,373.1	7,436.9	43,501.1
PAPER AND PAPERBOARD - SA	7,058.6	7,198.0	7,335.1	7,209.8	7,406.9	7,510.1	43,720.4

1993 PRODUCTION MATRIX

1993	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SUM
PAPER													
Newsprint - Production	615.0	552.6	590.5	596.0	569.9	570.4	599.4	605.3	570.4	608.7	590.5	575.8	7,087.5
- Shipments	604.0	561.4	594.5	581.9	565.5	578.8	595.0	584.1	591.3	597.5	600.1	588.6	7,042.7
Printing & Writing: Total Shipments	2,014.5	1,884.1	2,048.7	2,038.2	1,974.9	2,095.2	2,005.2	2,041.5	1,990.8	2,021.7	1,960.7	1,966.3	24,061.8
Groundwood Paper - Shipments	142.0	136.7	154.0	143.3	142.0	152.6	149.6	157.5	154.5	157.3	148.5	160.8	1,798.9
- New Orders	163.6	131.8	152.7	177.7	160.6	155.5	158.4	161.2	170.6	164.4	124.6	161.9	1,882.9
- Unfilled Orders	145.5	149.3	144.1	179.1	181.7	204.6	228.8	243.2	231.0	223.3	203.4	224.2	204.6
Coated Groundwood - Shipments	361.9	338.2	378.0	356.2	400.0	410.7	337.9	354.6	348.2	338.3	353.8	361.8	4,339.6
Coated Free Sheet - Shipments	322.2	297.0	320.1	319.4	309.9	338.4	341.1	360.0	338.1	345.9	324.2	320.5	3,936.7
Total Coated Papers - Shipments	684.1	636.2	698.1	675.6	709.8	749.1	679.0	714.6	686.3	684.2	678.0	682.3	8,276.3
- New Orders	706.1	665.9	687.1	757.8	715.4	749.1	678.8	686.2	674.6	686.7	623.9	765.6	8,377.2
- Unfilled Orders	769.7	820.8	796.6	875.7	878.1	749.1	803.8	757.5	756.1	735.6	668.3	771.0	749.1
Unctd Free Sheet - Shipments	1,056.7	982.0	1,050.7	1,081.2	989.0	1,059.0	1,049.2	1,040.5	1,011.0	1,035.1	1,012.7	988.2	12,355.0
- New Orders	1,128.4	990.3	1,090.4	1,135.9	992.2	1,052.9	1,062.5	1,037.9	1,020.0	1,020.8	983.9	985.3	12,500.5
- Unfilled Orders	797.4	803.9	851.3	897.2	894.2	893.0	914.3	902.5	919.4	906.2	865.7	883.5	893.0
Thin Papers - Shipments	15.7	15.3	19.7	13.1	13.4	11.7	11.8	10.9	15.1	15.3	14.3	12.5	168.7
Cotton Fiber Paper - Shipments	13.2	12.0	14.9	14.5	13.2	13.1	12.2	13.3	14.1	13.1	13.5	12.8	160.0
Bleached Bristols - Shipments	102.8	102.9	111.2	110.5	107.4	109.8	103.4	104.7	109.8	116.7	113.8	109.7	1,302.9
Tissue Paper - Production	494.7	467.4	531.3	481.8	508.4	504.5	485.1	523.1	461.2	518.4	496.3	513.6	6,007.8
Total Packaging & Other Paper	396.7	367.1	406.5	388.5	364.6	392.7	367.3	389.5	386.9	395.4	369.0	373.4	4,607.6
Unbl. Kraft Paper - Shipments	191.8	184.9	206.7	190.4	173.3	193.1	187.8	186.0	186.3	186.9	189.7	182.4	2,259.3
Bl. Kraft Paper - Shipments	34.7	30.4	32.9	29.8	31.0	33.4	32.1	39.4	35.0	36.5	33.6	31.5	400.3
Specialty Pkg. Paper - Production	53.1	50.1	53.7	54.6	54.4	53.8	50.8	55.3	54.4	60.8	53.3	49.5	643.8
Special Industrial Paper - Production	107.1	101.7	113.2	113.7	105.9	112.4	96.6	108.8	111.2	111.2	112.4	110.0	1,304.2
TOTAL PAPER PRODUCTION - NSA	3,511.0	3,271.2	3,579.9	3,504.4	3,437.8	3,562.8	3,457.0	3,559.4	3,429.3	3,544.2	3,458.4	3,429.1	41,744.6
TOTAL PAPER PRODUCTION - SA	3,425.3	3,476.3	3,482.4	3,565.1	3,476.0	3,646.7	3,419.4	3,409.4	3,439.6	3,375.4	3,441.2	3,527.8	41,684.8
PAPERBOARD - PRODUCTION 1993	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SUM
Containerboard	2,550.8	2,329.3	2,542.3	2,361.7	2,489.5	2,498.4	2,506.9	2,475.9	2,461.9	2,525.7	2,511.6	2,566.7	29,820.7
05-Aug-94	12,273.6												
Cont'bd For Dom Use for Fibre Boxes	2,274.7	2,084.7	2,220.2	2,071.4	2,212.1	2,240.2	2,238.2	2,191.4	2,199.7	2,242.3	2,196.8	2,236.9	26,408.6
Total Linerboard	1,567.3	1,475.2	1,548.3	1,411.6	1,519.6	1,540.0	1,555.5	1,495.3	1,519.4	1,557.3	1,514.5	1,531.2	18,235.2
Unbleached Kraft	1,453.5	1,352.7	1,416.4	1,289.4	1,394.4	1,419.1	1,428.4	1,363.5	1,377.5	1,424.3	1,402.0	1,410.5	16,731.7
Solid Bleached	11.2	12.3	13.9	11.8	13.9	10.8	17.2	14.1	11.9	13.1	14.0	13.7	157.9
Recycled	102.6	110.2	118.0	110.4	111.3	110.1	109.9	117.7	130.0	119.9	98.5	107.0	1,345.6
Corrugating Medium	707.4	609.5	671.9	659.8	692.5	700.2	682.7	696.1	680.3	685.0	682.3	705.7	8,173.4
Semichemical	477.2	409.4	457.6	442.6	471.7	471.7	452.5	475.0	452.8	459.0	454.0	483.6	5,507.1
Recycled	230.2	200.1	214.3	217.2	220.8	228.5	230.2	221.1	227.5	226.0	228.3	222.1	2,686.3
Other Containerboard for Dom Use	31.1	26.5	29.9	29.6	19.0	31.2	24.0	22.8	25.3	23.0	23.6	23.2	309.2
Containerboard for Export	245.0	218.1	292.2	260.7	256.4	227.0	244.7	261.7	236.9	260.4	291.2	306.6	3,102.9
	1,274.4												
Boxboard	1,126.8	1,039.7	1,142.1	1,122.9	1,120.9	1,115.2	1,083.6	1,134.2	1,121.7	1,140.5	1,122.1	1,122.4	13,392.1
Boxboard for Packaging for Dom Use	666.0	605.7	665.9	656.3	639.5	651.3	626.9	669.2	651.7	644.9	646.0	645.0	7,768.4
Folding Boxboard	503.9	459.6	502.9	493.0	485.5	486.4	478.0	505.3	487.4	495.4	486.2	479.6	5,863.2
Solid Bleached	146.2	141.4	152.3	151.1	151.2	157.6	151.1	161.8	147.3	152.0	153.9	162.2	1,828.1
Unbleached Kraft	112.6	92.3	106.7	104.2	95.8	96.2	99.2	97.0	105.7	97.2	90.9	99.5	1,197.3
Recycled	245.1	225.9	243.9	237.7	238.5	232.6	227.7	246.5	234.4	246.2	241.4	217.9	2,837.8
Set-up Boxboard for Dom Use	23.4	23.0	28.4	28.0	28.1	26.9	25.3	29.6	26.0	32.7	30.0	21.1	322.5
Milk Carton & Food Service Dom Use	136.7	123.1	134.6	135.3	125.9	138.0	123.6	134.3	138.3	116.8	129.8	144.3	1,582.7
Other Boxboard for Domestic Use	366.7	348.3	381.8	380.0	373.2	370.1	361.4	370.7	382.2	394.4	362.3	367.6	4,478.7
Boxboard for Export	94.1	85.7	94.4	86.6	108.2	93.8	95.3	94.3	87.8	101.2	93.8	109.8	1,145.0
Paperboard Production by Furnish	3,677.6	3,369.0	3,684.3	3,484.6	3,610.4	3,613.6	3,590.5	3,610.1	3,583.6	3,666.2	3,633.7	3,689.1	43,212.7
Unbleached Kraft	1,843.3	1,692.6	1,848.5	1,860.0	1,786.5	1,784.1	1,810.0	1,750.4	1,753.4	1,817.7	1,814.2	1,853.7	21,447.4
Semichemical	493.7	425.3	472.0	457.7	485.2	485.9	464.9	490.4	464.2	470.7	466.7	495.3	5,672.0
Solid Bleached Kraft	383.3	356.3	390.4	371.3	378.9	387.9	371.8	393.2	382.6	368.3	385.0	414.1	4,583.1
Recycled	957.3	894.8	973.4	982.6	959.8	955.7	943.8	976.1	983.4	1,009.5	967.8	926.0	11,510.2
Paperboard Production for Export	339.1	304.1	386.6	347.4	366.7	320.8	340.0	356.1	324.8	361.6	384.9	416.5	4,248.6
Unbleached Kraft	246.1	221.1	295.5	269.6	277.3	237.6	258.3	267.1	244.9	273.3	297.7	320.5	3,209.2
Semichemical	16.5	15.9	14.5	15.1	13.5	14.2	12.4	15.4	11.4	11.7	12.7	11.7	165.0
Bleached Kraft	68.9	61.1	71.7	56.7	67.7	61.5	62.1	65.2	64.4	71.4	67.0	77.4	795.0
Recycled	7.6	6.0	4.9	5.7	8.2	7.6	7.1	8.5	4.1	5.2	7.5	7.0	79.4
TOTAL PAPERBOARD PROD - NSA	3,677.6	3,369.0	3,684.3	3,484.6	3,610.4	3,613.6	3,590.5	3,610.1	3,583.6	3,666.2	3,633.7	3,689.1	43,212.7
TOTAL PAPERBOARD PROD - SA	3,539.6	3,587.9	3,566.6	3,552.1	3,606.8	3,602.8	3,555.0	3,525.5	3,594.4	3,615.6	3,711.6	3,663.5	43,121.2
PAPER AND PAPERBOARD - NSA	7,188.6	6,640.2	7,264.2	6,989.0	7,048.2	7,176.4	7,047.5	7,169.5	7,012.9	7,210.4	7,092.1	7,118.2	84,957.3
PAPER AND PAPERBOARD - SA	6,964.9	7,064.2	7,049.0	7,117.1	7,082.8	7,249.5	6,974.4	6,934.9	7,034.0	6,991.0	7,152.9	7,191.3	84,806.0

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 7
JULY, 1994

	(P) JUNE 1994	(R) MAY 1994	JUNE 1993	SIX MONTHS 1994	SIX MONTHS 1993	% CHANGE YR TO DATE 1994/1993
PAPER GRADES						
Newsprint	550	593	570	3,480	3,517	-1.1
Printing & Writing	2,158	2,066	2,095	12,216	12,056	1.3
Uncoated Groundwood (s)	147	159	153	937	871	7.6
Coated Groundwood (s)	401	385	411	2,143	2,245	-4.6
Coated Free Sheet (s)	351	324	338	1,955	1,907	2.5
Total Coated Paper (s)	753	709	749	4,097	4,152	-1.3
Uncoated Free Sheet Paper (s)	1,118	1,058	1,059	6,365	6,218	2.4
Thin Paper (s)	10	13	12	73	89	-17.3
Cotton Fiber Paper (s)	13	13	13	80	81	-0.9
Bleached Bristols (s)	118	114	110	663	645	2.8
Tissue Paper	497	512	505	3,000	2,988	0.4
Total Pkg & Other Paper	393	390	393	2,339	2,306	1.4
Unbl. Kraft Paper (s)	201	188	193	1,157	1,140	1.5
Bl. Kraft Paper (s)	32	30	33	196	192	1.8
Specialty Pkg. Paper	54	55	54	318	320	-0.6
Special Industrial Paper (s)	106	117	112	669	654	2.2
TOTAL PAPER	3,597	3,561	3,563	21,035	20,867	0.8
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,892	1,869	1,784	11,094	10,648	4.2
Unbleached Kraft Linerboard *	1,750	1,729	1,657	10,307	9,873	4.4
Other Unbl. Kraft Paperboard	142	139	127	788	775	1.6
Semichemical Paperboard	498	502	486	2,940	2,820	4.3
Bleached Paperboard	436	425	388	2,424	2,268	6.9
Recycled Paperboard	1,014	1,017	956	6,007	5,704	5.3
TOTAL PAPERBOARD	3,840	3,812	3,614	22,466	21,440	4.8
TOTAL PAPER & PAPERBOARD	7,437	7,373	7,176	43,501	42,307	2.8

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	JUNE 1994	MAY 1994	JUNE 1993	SIX MONTHS 1994	SIX MONTHS 1993	%CHANGE YR TO DATE 1994/1993
Total	721	686	673	4,179	4,189	-0.2%
Total Sulfate	707	669	656	4,087	4,091	-0.1%
Bleached Sulfate	680	652	642	3,974	3,988	-0.4%
Softwood	386	366	2,319	2,319	2,421	-4.2%
Hardwood	266	276	1,655	1,655	1,568	5.6%
Unbleached	17	14	113	113	103	10.4%
Sulfite Blch & Unblch	18	18	91	91	98	-6.9%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,358	5,108	31,554	31,554	31,116	1.4%
Recovered Paper	2,515	2,338	14,589	14,589	13,925	4.8%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA August 5, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD – Tons (000)			APR	MAY	JUN		
Total Production (AFPA)..........: excluding :	82,958	84,957	7,080	7,373	7,437	87,002	2.8
Total Seasonally Adjusted.........: construction :			7,210	7,409	7,510	87,441	2.8
Imports (including Products).......: and wet :....E	12,406	13,831	1,175	1,215	1,210	14,094	3.1
Exports (including Products).......: machine :....E	8,946	9,099	912	847	895	10,286	15.0
Apparent Consumption..............: grades :....E	86,418	89,689	7,474	7,778	7,825	91,249	1.6
Paper Production % Tonnage Capacity	91.1	91.8	89.4	90.6	94.2	91.8	
Paperboard Production % Tonnage Capacity	94.4	94.8	96.4	97.2	100.6	98.1	
PAPER, PAPERBOARD & PRODUCTS			APR	MAY	JUN		
Imports.....:including Construction and :....E	12,543	13,971	1,188	1,227	1,222	14,235	3.1
Exports.....: WMB Grades (excl. HPB) :....E	8,971	9,126	913	849	897	10,306	14.9
Market Wood Pulp Shipments - Tons (000)	8,291	8,386	738	888	721	8,357	-0.3
Wood Pulp Imports - Tons (000)....E	4,882	5,320	425	517	475	5,586	4.4
Wood Pulp Exports - Tons (000)....E	6,421	5,851	500	516	527	5,900	-2.8
Raw Materials Consumption - Tons (000)							
Wood Pulp..............:consumption for:	56,873	62,356	5,333	5,358	5,249	63,107	1.4
Recovered Paper.......:constuction & :	25,336	27,995	2,357	2,515	2,462	29,179	4.8
Total..............: WMB grades :	80,168	90,351	7,690	7,873	7,711	92,286	2.4
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	8,741	8,729	8,743	106,172	0.3
Employment (000)			APR	MAY	JUN		
Paper and Allied Products..RS.......Total	687.3	689.4	679.4	681.2	688.7	682.1	-1.1
Pulp, Paper and Board Mills..RS.....Total	238.8	235.4	228.9	229.4	232.3	230.7	-2.4
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS	13.07	13.41	13.66	13.70	13.68	13.6	2.6
Pulp, Paper Mills.......RS	16.19	16.71	17.11	17.10	17.06	17.0	3.4
Paperboard Mills........RS	16.24	16.77	17.20	17.13	17.16	17.1	3.0
New Plant & Equip. Expenditures, Paper & Allied Prod.			IIIQ '93	IVQ '93	IQ '94		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.30	9.64	10.67	10.01	10.79 y	2.5
Index of Output per Man-Hour (1987=100)			APR	MAY	JUN		
:in Pulp, Paper:...Production Workers	113.2	117.5	122.3	124.2	125.2	122.2	3.9
:and Board Mills:...All Employees	112.9	117.2	122.8	125.0	125.9	122.7	4.6
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	10,894	11,167	11,111	131,064	1.[illegible]
Pulp, Paper and Paperboard*	53,442	52,111	4,248	4,400	4,401	51,696	-1.4
Inventories (End of Period) - Total Industry*	13,387	13,487	13,466	13,486	13,460	13,460	-0.3
Pulp, Paper and Paperboard*	5,535	5,783	5,823	5,782	5,708	5,708	1.0
Paper & Allied Products Companies (Million $)			IIIQ '93	IVQ '93	IQ '94		
Sales (Corporations Only)	127,562	131,232	33,148	33,029	32,896	131,584	3.2
Earnings (Corporations Only)	1,213	(201)	(1,746)	4	701	2,804	-3.4
Depreciation (Corporations Only)	6,974	7,345	1,840	1,837	1,896	7,584	5.3
Net Worth (Corporations Only)	47,520	47,897	45,967	44,689	45,842	45,842	-4.3
Price Indexes (Bureau of Labor Statistics) 1982=100			APR	MAY	JUN		
Pulp, Paper & Products, ex. Building Grades	129.4	127.6	127.8	128.7	130.3	128.0	-0.1
Wood Pulp	118.9	104.3	106.4	109.2	112.4	105.4	-2.0
Waste Paper	117.4	117.7	132.4	148.0	198.1	139.4	11.9
Paper	123.2	123.8	121.2	121.4	121.8	121.9	-1.3
Paperboard	134.3	130.0	134.6	134.7	134.0	132.5	1.2
Paper Demand (Indexed: 1987=100)			APR	MAY	JUN		
Total Paper Production *	110.8	112.9	112.6	117.0	119.7	115.1	0.8
Paper New Supply *	102.5	106.5	105.1	109.9	111.5	107.5	-0.1
Demand Indicators (Weighted Average) *	101.0	105.6	108.4	108.8	109.0	108.0	2.5
Production of Nondurable Goods..RS........*....(21.2%)	106.6	108.7	111.8	112.4	112.2	111.3	2.7
Disposable Income.............................*....(23.9%)	110.9	112.6	115.2	116.1	115.9	115.3	3.4
Total Printing and Publishing..RS..........*....(54.9%)	99.1	101.4	104.2	104.3	104.7	103.5	2.1
Paperboard Demand (Indexed: 1987=100)			APR	MAY	JUN		
Total Paperboard Production *	111.9	115.2	120.0	122.1	122.7	120.1	4.8
Production for Domestic Use ......E	109.6	113.5	117.6	119.7	119.7	117.1	3.4
Demand Indicators - (Weighted Average) *	106.5	110.4	114.5	114.5	115.1	114.3	4.2
Production of Consumer Goods..RS.........*....(62.06%)	105.9	108.8	111.6	111.5	112.1	111.6	2.9
Production of Equipment..RS.................*....(5.75%)	111.3	118.6	126.1	126.5	126.9	125.7	7.5
Production of Materials..RS...................*....(32.19%)	107.8	112.0	117.9	118.1	118.7	117.4	5.8
Market Data			APR	MAY	JUN		
Newsprint Consumption (SAAR) - Tons (000)...R.....E	12,620	12,747	12,765	12,875	12,588	12,987	1.6
Newspaper Pub. and Printing Empl. Total(000)	451	451	450	450	454	451	0.1
Magazine Advertising Pages (PIB, Inc.)	170,303	170,592	16,376	16,052	14,908	173,678	4.0
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	54,172	58,847	5,020	5,249	N/A	N/A	N/A
Inventories (End of Period)	5,569	6,181	6,552	6,553	N/A	N/A	N/A
Fibre Box Data (Fibre Box Association)			APR	MAY	JUN		
Fibre Box Shipments (Million square feet)	335,696	363,755	31,335	30,389	31,423	364,638	5.1
Container'bd Inventory at Mill & Plant (000 Tons)	2,918	2,501	2,528	2,420	2,336	2,336	-16.0
Retail Trade (Billion $)							
Total Retail Sales *	1,959	2,080	183	183	184	2,192	7.4
Nondurable Goods Stores Sales *	1,252	1,296	111	111	112	1,332	3.5
General Economic Data			APR	MAY	JUN		
Total Industrial Production (Index 1987 = 100)*	106.5	111.0	116.1	116.3	116.8	115.8	5.3
Producer Prices (All Commodities, Index: 1982=100)	117.2	118.9	119.8	119.9	120.4	119.7	0.6
Consumer Prices (All Items-Urban Con.) (1982-4=100)	140.3	141.9	147.4	147.5	148.0	147.2	6.2
Gross Domestic Product - Annual Rate (Billion$) *			IVQ '93	IQ '94	IIQ '94		
G.D.P. or Expenditure - Current $	6,020.2	6,343.3	6,478.1	6,574.7	6,683.6	6,629.2	4.5
G.D.P. or Expenditure - 1987 $	4,979.3	5,134.5	5,218.0	5,261.1	5,309.2	5,285.2	2.9
Paper & Paperboard Consumption - Pounds per Capita	677	694				699	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

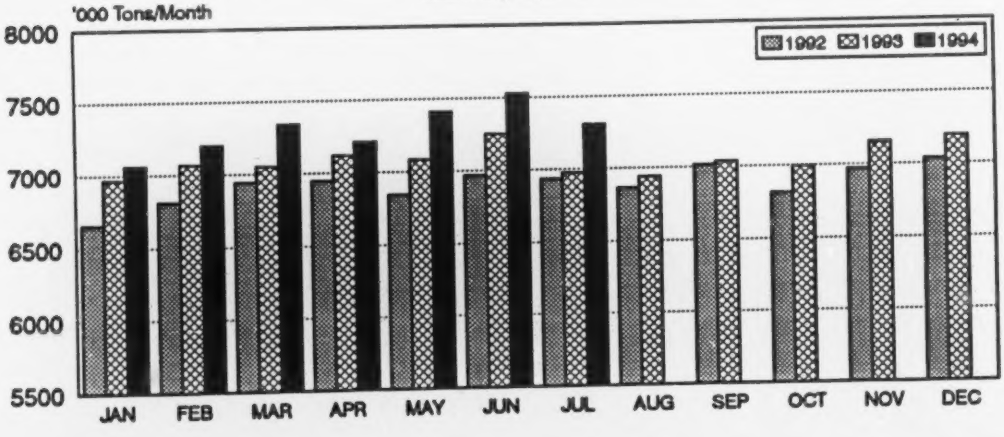
Paper, Paperboard & Wood Pulp

A Monthly Statistical Summary from the American Forest & Paper Association

August 1994 **Vol. 72 No. 8**

- Seasonally-adjusted paper and paperboard production gained ground as 1994 progressed. Average monthly production in the May-July period, for instance, exceeded that of the first four months of the year by 2.9%. Most of the momentum earlier in the year came from the paperboard sector, but paper has also been an important contributor during recent months. For the first seven months of 1994, paper and paperboard production exceeded its year-ago volume by 3.1%.
- Newspaper inserts have been a major growth market for commercial printing papers, with growth reported at 5% in 1993 and 4.6% through the first five months of this year.
- North American exports of newsprint, up 16% through July, have emerged as this year's major source of demand growth for newsprint.
- Boxboard and containerboard have exhibited strong growth patterns, as evidenced by year-to-date production gains of 5.1% and 4.9%, respectively. Export growth has exceeded that of domestic demand for both categories.
- U.S. producer inventories of chemical paper grade market pulp declined from 865,000 tons to 546,000 tons during the past twelve months, while North American and Scandinavian producer inventories contracted from 2.2 million to 1.4 million tons.
- Data compiled by the Bureau of Economic Analysis indicated that the solid wood and paper and allied products industries together account for 8% of U.S. manufacturing employment.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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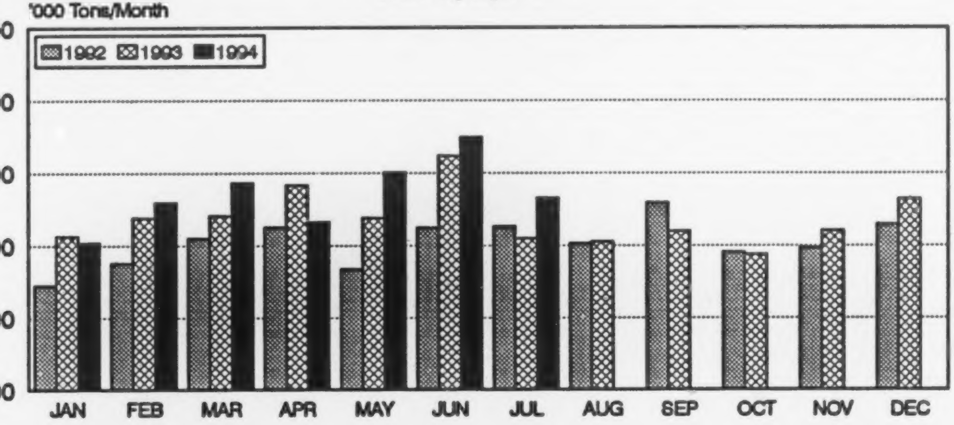
Paper. -- Seasonally-adjusted paper production exceeded its year-ago volume by 2.7% during the May-July period. Lagging performances in January and April, however, have put the year-to-date rate at a more moderate 1.2%.

TOTAL PAPER PRODUCTION
seasonally adjusted

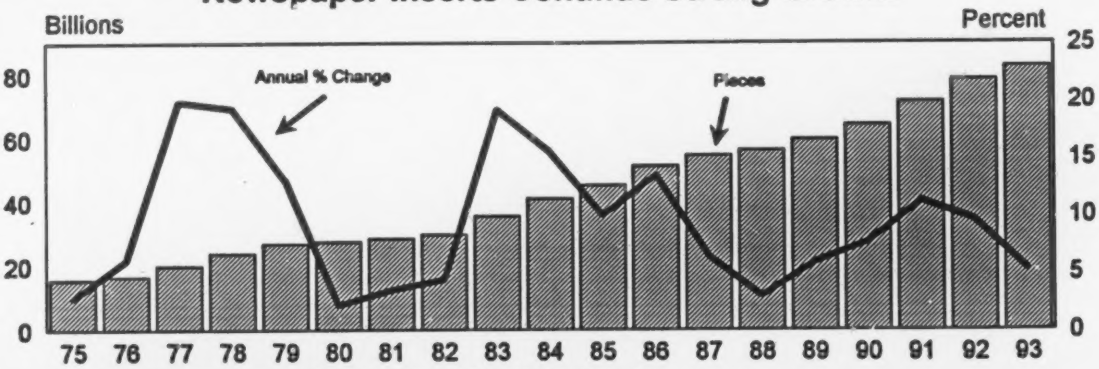


U.S. shipments of newsprint posted a 0.4% increase through July. They significantly exceeded year-ago levels in May but trailed in June and July. For the May-July period overall, shipments of newsprint posted a 1.2% gain relative to the same period in 1993.

During the May-July period, U.S. shipments of newsprint to the domestic market were up 3.0% versus year ago, while Canadian shipments lagged by 0.6% and imports from overseas were down as well. Total newsprint shipments to the U.S. from all sources -- domestic, Canadian, and overseas mills -- posted a 0.7% gain for the three month data period through July.

North American exports of newsprint have been posting solid gains this year after turning in a flat performance in 1993. In specific, Canadian exports to overseas markets are up 21%, while U.S. exports are ahead a more modest 1.2% through the first seven months of 1994.

Newspaper Inserts Continue Strong Growth



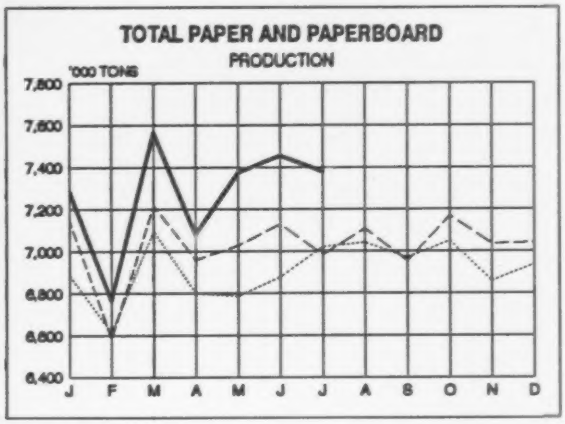
Sources: Newspaper Association of America and John Morton Research.

Newspaper inserts have been an important growth market for communications papers during recent years, consuming an estimated 2.5 - 2.7 million tons of paper in 1993, including uncoated groundwood, newsprint, and coated papers. The volume of inserts

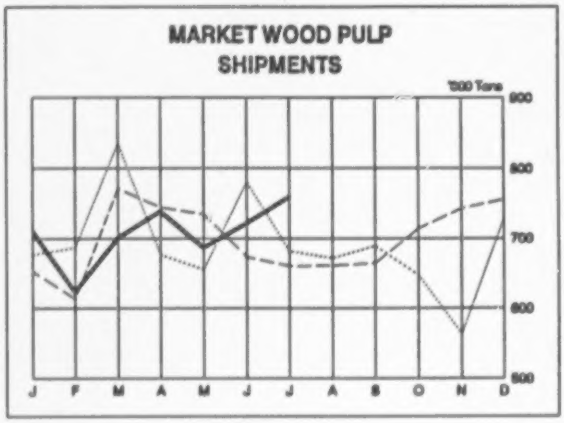
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		APR	MAY	JUNE (R)	JULY (P)	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1994	1994	1994	1994	1994	Last Year
PAPER								
Newsprint - Production	7,082	7,067	588	593	550	597	6,989	-1.0
- Shipments	7,125	7,043	588	598	568	594	7,023	0.4
Printing & Writing: Total Shipments	23,394	24,062	1,935	2,066	2,163	2,110	24,573	1.9
Groundwood Paper - Shipments	1,609	1,799	156	159	147	161	1,884	7.7
- New Orders	1,655	1,883	166	159	153	187	1,998	5.9
- Unshipped Orders	164	229	170	173	174	199	199	-13.0
Coated Groundwood - Shipments	4,364	4,340	304	385	401	384	4,332	-2.2
Coated Free Sheet - Shipments	3,755	3,937	306	324	352	354	3,963	2.8
Total Coated Papers - Shipments	8,119	8,276	610	709	753	739	8,295	0.2
- New Orders	8,151	8,377	722	829	815	826	8,889	4.5
- Unshipped Orders	903	804	762	889	939	1,023	1,028	27.9
Unctd Free Sheet - Shipments	12,170	12,355	1,035	1,058	1,122	1,078	12,768	2.5
- New Orders	12,293	12,500	1,114	1,011	1,147	1,021	12,990	1.7
- Unshipped Orders	720	914	929	876	891	853	853	-6.7
Thin Papers - Shipments	175	169	12	13	10	11	145	-16.1
Cotton Fiber Paper - Shipments	159	160	15	13	13	12	158	-1.0
Bleached Bristols - Shipments	1,163	1,303	106	114	118	109	1,323	3.1
Tissue Paper - Production	5,784	6,008	491	512	497	496	5,993	0.6
Total Packaging & Other Paper	4,713	4,608	392	390	405	366	4,657	1.6
Unbl. Kraft Paper - Shipments	2,380	2,259	191	188	201	183	2,297	0.9
Bl. Kraft Paper - Shipments	403	400	33	30	32	35	395	2.7
Specialty Pkg. Paper - Production	687	644	53	55	56	51	636	0.1
Special Industrial Paper - Production	1,244	1,304	115	117	116	97	1,329	3.3
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,745	3,406	3,561	3,614	3,569	42,211	1.2
TOTAL PAPER PRODUCTION - SEAS ADJ			3,465	3,600	3,699	3,530	42,498	1.2
PAPERBOARD - PRODUCTION								
Containerboard	29,374	29,821	2,545	2,605	2,628	2,630	31,082	4.9
Cont'bd For Dom Use for Fibre Boxes	25,763	26,409	2,240	2,299	2,308	2,345	27,241	3.6
Total Linerboard	17,785	18,235	1,534	1,571	1,583	1,628	18,674	2.6
Unbleached Kraft	16,850	16,732	1,402	1,428	1,442	1,487	17,019	1.8
Solid Bleached	150	158	14	13	15	14	159	1.8
Recycled	784	1,346	119	131	127	126	1,496	13.0
Corrugating Medium	7,978	8,173	705	727	725	718	8,567	5.8
Semichemical	5,582	5,507	473	492	484	481	5,715	4.7
Recycled	2,396	2,666	232	235	241	237	2,852	7.9
Other Containerboard for Dom Use	345	309	20	26	26	28	296	-9.9
Containerboard for Export	3,267	3,103	285	281	294	257	3,545	18.4
Boxboard	12,611	13,392	1,129	1,207	1,212	1,182	13,966	5.1
Boxboard for Packaging for Dom Use	7,338	7,768	649	681	692	684	7,990	3.3
Folding Boxboard	5,519	5,863	486	509	522	520	5,984	2.4
Solid Bleached	1,757	1,828	157	172	178	171	1,917	6.4
Unbleached Kraft	1,143	1,197	100	114	116	117	1,303	7.5
Recycled *	2,620	2,838	229	224	228	232	2,763	-2.4
Set-up Boxboard for Dom Use	283	323	28	28	26	22	311	-1.0
Milk Carton & Food Service Dom Use	1,536	1,583	135	144	144	142	1,695	7.6
Other Boxboard for Domestic Use	4,153	4,479	376	416	403	394	4,751	7.4
Boxboard for Export	1,119	1,145	104	111	117	103	1,225	8.6
Paperboard Production by Furnish	41,985	43,213	3,673	3,812	3,840	3,812	45,048	5.0
Unbleached Kraft	21,658	21,447	1,814	1,869	1,892	1,894	22,266	4.3
Semichemical	5,762	5,672	490	502	498	495	5,890	4.6
Solid Bleached Kraft	4,503	4,583	396	425	436	418	4,873	7.7
Recycled	10,063	11,510	972	1,017	1,014	1,004	12,019	5.5
Paperboard Production for Export	4,386	4,249	389	391	411	360	4,770	15.7
Unbleached Kraft	3,320	3,209	292	302	308	262	3,649	17.9
Semichemical	180	165	17	10	14	15	175	0.0
Bleached Kraft	812	795	68	73	77	72	837	8.5
Recycled	74	79	11	7	12	12	110	36.4
TOTAL PAPERBOARD PRODUCTION - UNAD	41,985	43,213	3,673	3,812	3,840	3,812	45,048	5.0
TOTAL PAPERBOARD PROD - SEAS ADJ			3,744	3,808	3,829	3,774	45,006	5.0
PAPER AND PAPERBOARD - UNADJ	82,958	84,957	7,080	7,373	7,454	7,380	87,259	3.1
PAPER AND PAPERBOARD - SEAS ADJ			7,210	7,409	7,527	7,304	87,504	3.1

R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

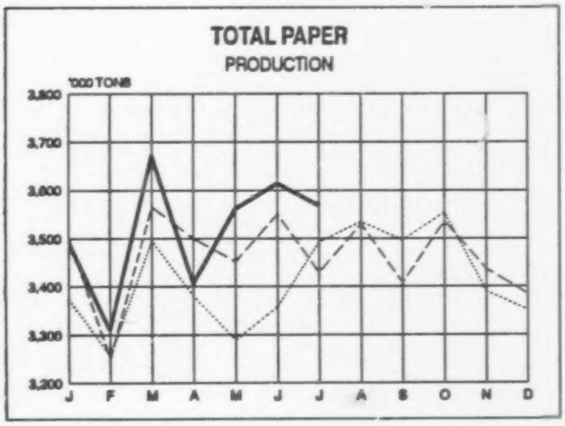
* Container Chip and Filler reclassified into Recycled Corrugating Medium



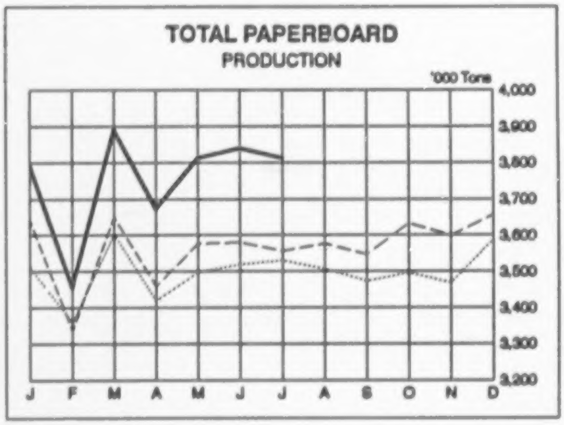
TOTAL PAPER AND PAPERBOARD
PRODUCTION



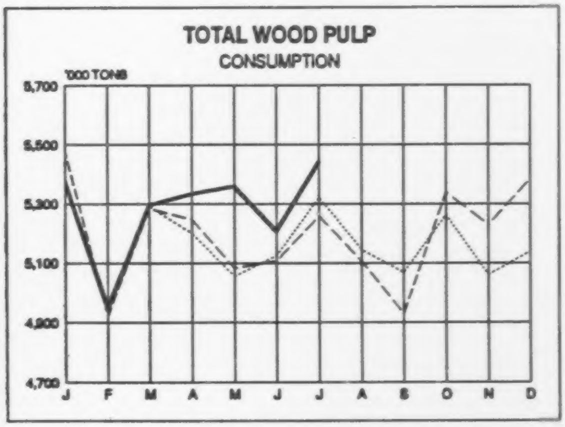
MARKET WOOD PULP
SHIPMENTS



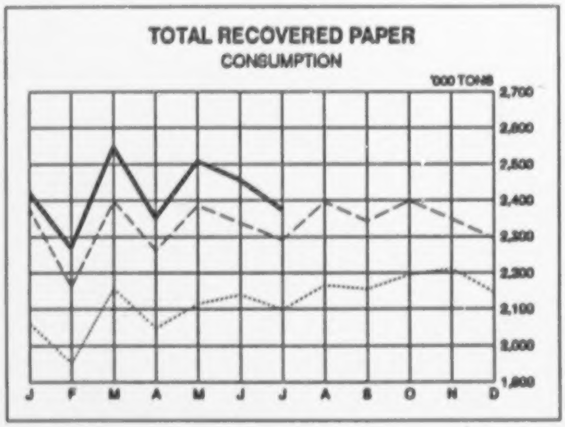
TOTAL PAPER
PRODUCTION



TOTAL PAPERBOARD
PRODUCTION



TOTAL WOOD PULP
CONSUMPTION



TOTAL RECOVERED PAPER
CONSUMPTION

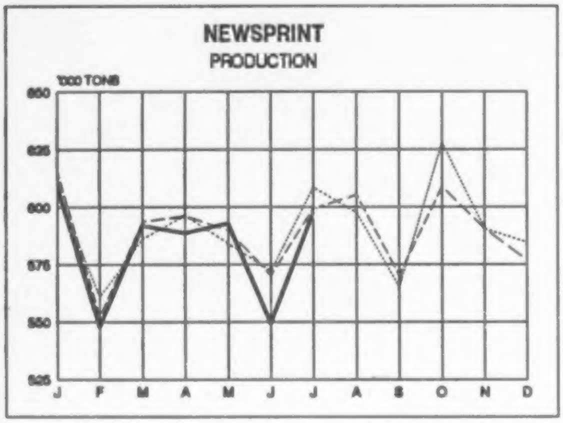
1992 .... 1993 ----- 1994 ——

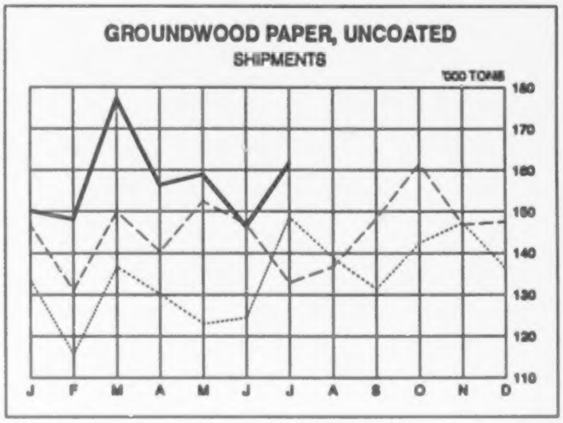
WOOD PULP STATISTICS (Thousands of Tons)		YEAR 1992	YEAR 1993	APR 1994	MAY 1994	(R) JUN 1994	(P) JUL 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
TOTAL WOOD PULP									
Total Wood Pulp	Production	63,960	62,908	5,357	5,265	5,265	5,545	63,728	1.2%
(Paper Grades)	Imports	4,882	5,320	425	517	456	466	5,556	2.5%
	Exports	6,421	5,850	500	516	501	505	5,880	-0.7%
	New Supply	62,421	62,377	5,283	5,266	5,220	5,506	63,403	1.8%
Paper Grades	Production	53,358	52,738	4,516	4,434	4,488	4,706	53,859	2.3%
Chemical Pulp	Imports	4,570	4,889	393	480	418	430	5,113	3.3%
	Exports	6,321	5,747	496	510	490	499	5,793	0.1%
	New Supply	51,607	51,880	4,413	4,405	4,416	4,638	53,179	2.6%
Groundwood and	Production	6,501	6,158	502	496	437	479	5,813	-7.3%
Thermo-Mech.	Imports	312	431	33	36	38	36	443	-5.7%
	Exports	100	104	4	6	11	7	87	-35.0%
	New Supply	6,713	6,485	531	526	464	508	6,170	-6.6%
Semi-Chemical	Production	4,101	4,012	339	335	340	360	4,055	0.2%
	Imports								
	Exports								
	New Supply	4,101	4,012	339	335	340	360	4,055	0.2%
MARKET WOOD PULP									
Paper Grades	Production	8,670	8,117	677	674	697	754	8,348	0.8%
Chemical Pulp	Imports	2,946	3,132	269	325	286	303	3,445	11.3%
	Exports	5,906	5,571	495	444	489	522	5,599	2.2%
	New Supply	5,709	5,678	452	554	494	535	6,194	5.0%

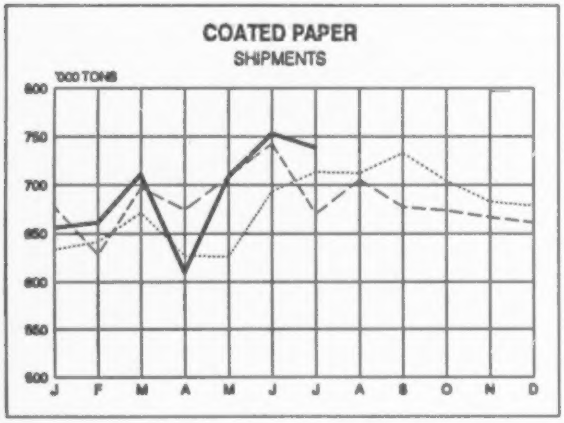
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AF&PA. Total Wood Pulp Imports & Exports - Department of Commerce.

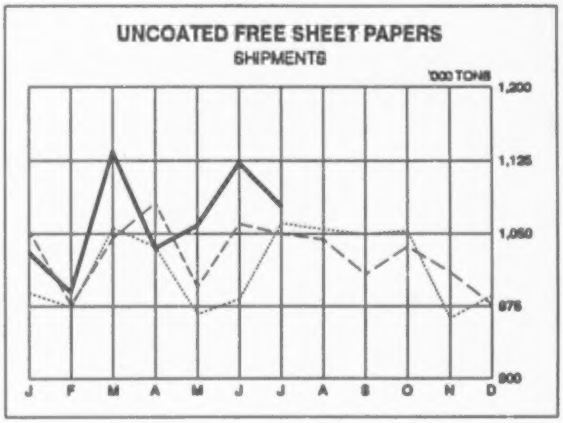
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR 1992	YEAR 1993	APR 1994	MAY 1994	(R) JUN 1994	(P) JUL 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,685	7,866	7,663	7,815	92,370	2.5%
Total Wood Pulp	62,011	62,356	5,333	5,358	5,207	5,440	63,345	1.6%
Recovered Paper	25,440	27,995	2,352	2,508	2,456	2,375	29,025	4.4%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	255	195	198	167	166	165	165	-22.2%
Producers' Market Inventories	596	614	586	574	550	546	546	-36.9%
Consumers' Purchased Inventories *	399	382	397	394	391	390	390	-3.0%
Recovered Paper at Paper & Bd. Mills	1,148	1,097	968	905	927	901	901	-15.9%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	26	25	25	24	23	23	-41.0%

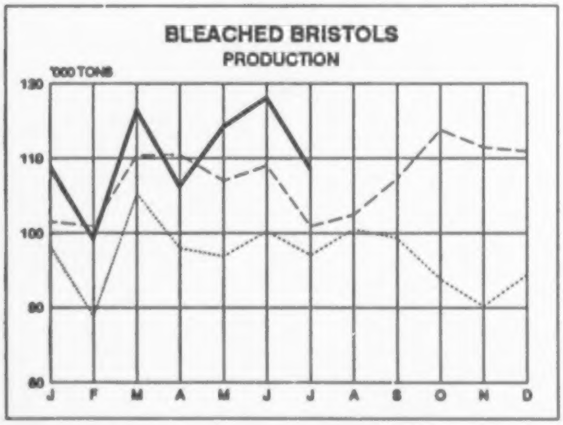
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AF&PA. N/A - Not Available.
Recovered Paper Data: Paper Recycling Committee, AF&PA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

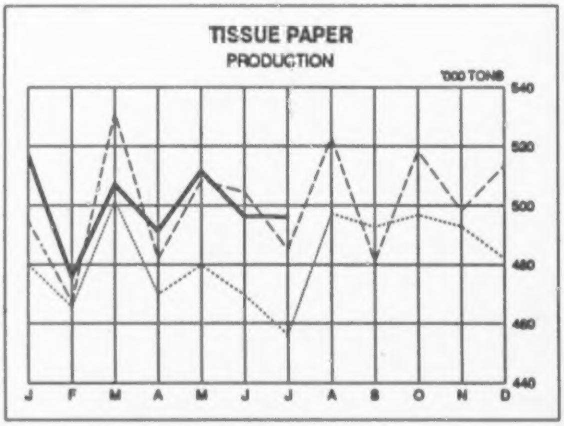

NEWSPRINT
PRODUCTION


GROUNDWOOD PAPER, UNCOATED
SHIPMENTS


COATED PAPER
SHIPMENTS


UNCOATED FREE SHEET PAPERS
SHIPMENTS


BLEACHED BRISTOLS
PRODUCTION


TISSUE PAPER
PRODUCTION

1992 .... 1993 ----- 1994 ▬▬

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR		Apr	May	Jun	Jul	Annual Rate Y-T-D	% Change From Same Period
	1992	1993	1994	1994	1994	1994	1994	Last Year
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,082	8,664	8,634	8,821	8,805	106,056	0.6
- Total Consumpt	104,598	105,275	8,741	8,729	8,743	9,066	106,546	0.6
- Residues *	39,784	43,134	3,718	3,618	3,601	3,633	43,498	0.9
- Inventories	5,314	5,989	5,644	5,503	5,561	5,234	5,234	2.6
So. Atlantic - Total Receipts	33,704	34,958	2,864	2,816	2,881	2,871	34,473	-1.5
- Total Consumpt	34,015	34,693	2,833	2,851	2,835	2,947	34,781	-0.4
- Residues *	13,173	14,916	1,245	1,218	1,237	1,274	14,981	1.1
- Inventories	1,199	1,503	1,311	1,307	1,360	1,287	1,287	0.2
Northeast - Total Receipts	7,511	7,791	647	629	601	657	7,848	0.6
- Total Consumpt	7,341	7,751	656	617	596	662	7,714	-1.2
- Residues *	1,800	1,782	157	168	159	145	1,853	1.5
- Inventories	347	330	339	323	329	322	322	7.7
South Central - Total Receipts	42,665	44,542	3,741	3,730	3,790	3,729	45,206	3.7
- Total Consumpt	42,956	44,039	3,678	3,744	3,797	3,854	45,355	3.3
- Residues *	15,544	17,596	1,552	1,511	1,538	1,489	18,014	2.7
- Inventories	1,736	2,128	1,950	1,891	1,845	1,670	1,670	2.6
North Central - Total Receipts	7,310	7,419	463	586	657	630	7,731	5.0
- Total Consumpt	7,339	7,508	642	653	633	598	7,659	1.4
- Residues *	1,139	1,118	97	93	103	96	1,143	8.5
- Inventories	813	721	807	737	772	787	787	10.4
West - Total Receipts	12,701	11,372	949	873	892	918	10,798	-7.4
- Total Consumpt	12,947	11,284	932	864	882	1,005	11,037	-5.9
- Residues *	8,128	7,722	667	628	564	629	7,507	-4.5
- Inventories	1,219	1,307	1,237	1,245	1,255	1,168	1,168	-0.8

* - Consumption of Residues in Cord Equivalents.

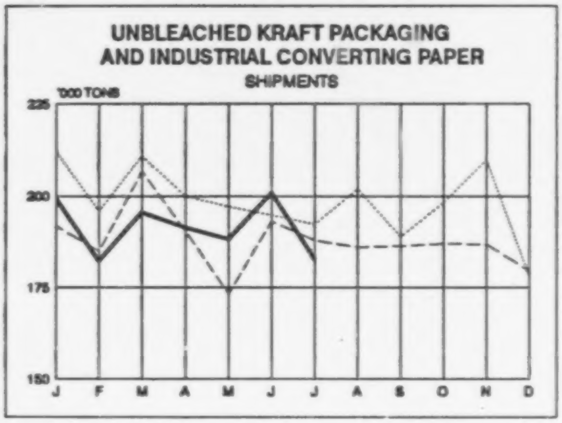
SOURCE: American Pulpwood Association

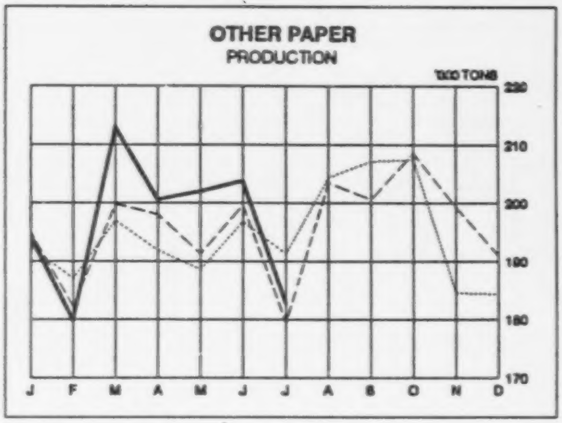
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						Annual Rate Y-T-D 1994	% Change From same Period
	YEAR 1993		May 1994		June 1994			
	Tons	($000's)	Tons	($000)	Tons	($000)	Tons	Last Year
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M
Pulpwood chips	360,080	16,098	4,637	270	2,532	162	90,329	-74.2
Wood Pulp, Total	4,662,246	1,608,657	413,215	150,091	407,009	153,397	4,873,922	2.2
Waste Fibrous Materials, Total	127,838	19,399	17,437	2,037	18,131	2,193	209,311	52.2
Paper, Board & Products, Total	11,548,456	5,681,810	1,024,863	515,325	999,431	508,619	11,842,034	-0.1
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	994,301	456,090	968,158	447,004	11,512,618	-0.9
Paper, Paperboard & Products	11,427,296	5,653,489	1,014,241	512,619	987,333	505,462	11,715,906	-0.2
Paper & Paperboard, Only	11,170,712	5,129,264	983,680	453,383	956,059	443,848	11,386,491	-1.0
Paper, Total	10,249,618	5,221,372	895,945	419,761	878,631	413,893	10,350,642	-2.6
Newsprint	7,630,129	3,546,762	633,685	262,455	610,942	252,490	7,444,173	-6.6
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	226,921	129,356	230,599	132,911	2,516,968	8.0
Pack. & Ind. Conv. Paper	204,576	125,317	20,674	12,424	21,497	12,435	233,937	17.3
Special Industrial Paper	60,409	101,041	5,447	8,876	5,970	9,169	63,883	4.2
Tissue Paper	73,952	56,474	9,218	6,649	9,623	6,887	91,681	29.4
Paperboard, Total	921,094	343,269	87,735	33,622	77,429	29,955	1,035,848	19.3
Convtd Paper&Paperbd Products	256,584	556,374	30,561	59,235	31,273	61,615	329,415	37.3
Wet Machine Board	800	749	109	98	39	36	862	-4.1
Construction Paper & Board	120,361	30,217	10,512	2,608	12,059	3,121	125,266	8.1

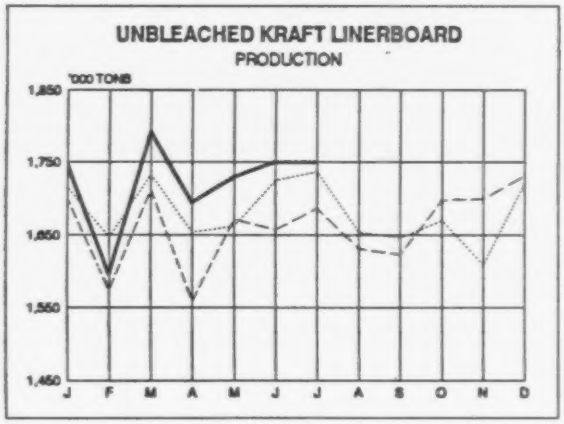
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	60,817	2,163	108,416	3,937	2,111,424	-13.5
Pulpwood chips	363,398	18,332	73,500	3,439	81,000	3,653	720,166	124.9
Wood Pulp, Total	313,005	133,450	27,958	10,586	25,364	10,266	330,012	-7.3
Cotton Pulp & Other Pulp	5,710	3,341	506	321	490	240	4,440	-44.2
Waste Paper	1,182,448	142,952	129,360	14,614	139,459	17,871	1,380,188	15.8
Paper, Board & Products, Total	1,710,071	1,658,778	152,919	155,934	166,855	166,622	1,781,835	5.8
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	110,189	86,411	119,254	92,422	1,281,280	6.1
Paper, Paperboard & Products	1,704,072	1,656,494	152,272	155,625	165,794	166,177	1,775,283	5.8
Paper & Paperboard, Only	1,225,877	928,862	109,541	86,102	118,192	91,977	1,274,728	6.0
Paper, Total	671,502	687,704	56,542	57,657	65,333	64,985	695,952	1.8
Newsprint	14,376	6,997	704	362	760	405	9,198	-52.2
Printing, Writing & Rel. Pap.	480,105	470,309	40,085	38,022	48,017	44,585	510,662	3.7
Pack. & Ind. Conv. Paper	56,540	42,700	4,580	3,312	4,605	3,457	51,411	-7.8
Special Industrial Paper	85,450	133,523	7,697	12,408	8,027	12,713	81,605	-0.3
Tissue Paper	35,031	34,175	3,476	3,553	3,924	3,825	43,076	25.0
Paperboard, Total	554,375	299,348	53,000	28,445	52,860	26,991	578,776	11.7
Convtd Paper&Paperbd Products	478,195	754,164	42,731	69,523	47,602	74,200	500,556	5.1
Wet Machine Board	0	0	0	0	0	0	0	N.M
Construction Paper & Board	5,999	2,402	647	309	1,062	445	6,552	13.2

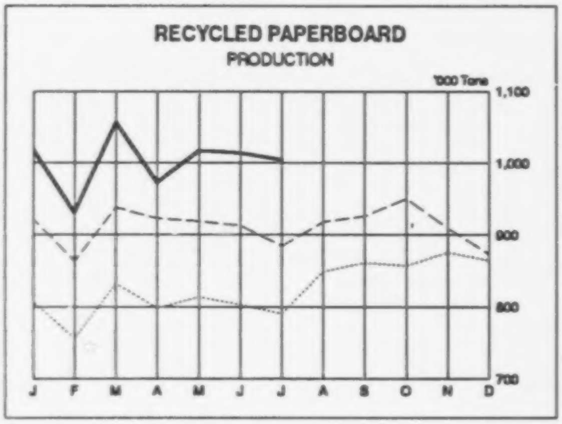
SOURCE: Bureau of Census, Department of Commerce.

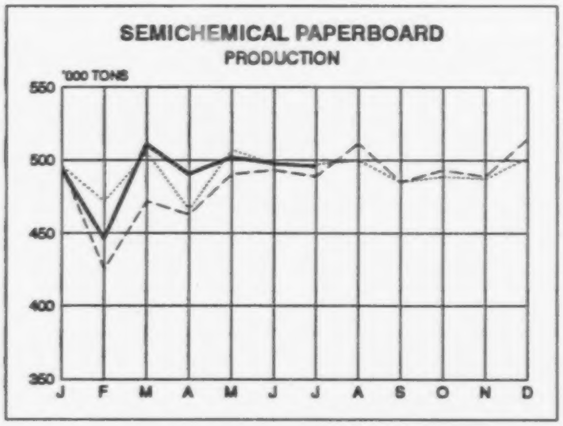
N.M. - Not Meaningful

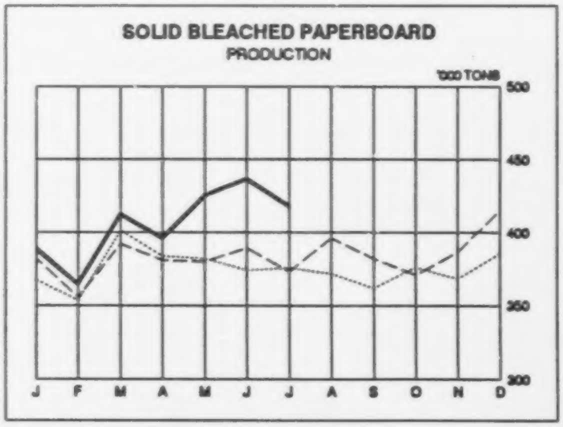

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1992 .... 1993 ------ 1994 ━━━━

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		May 1994		June 1994		Annual Rate YTD 1994	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	10,540	1,288	7,929	1,049	489,551	-4.8
Total All Imports	19,529,543	10,413,422	1,769,096	897,422	1,694,432	900,969	20,060,109	3.5
Wood Pulp Total	5,412,797	1,860,163	522,402	184,991	462,955	177,759	5,618,436	3.4
Waste Paper	137,835	22,285	17,954	2,242	18,871	2,428	216,370	50.2
Other Fibrous Materials	8,143	4,425	1,280	1,094	1,474	737	12,337	130.5
Paper Board & Products Total	13,970,768	8,526,549	1,227,460	709,094	1,211,132	720,045	14,212,967	3.0
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,174,823	586,102	1,150,817	586,968	13,580,851	1.7
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,215,389	704,905	1,196,874	715,096	14,068,313	2.9
Paper & Paperboard Only	13,330,595	7,195,151	1,162,753	581,913	1,136,558	582,019	13,436,197	1.7
Paper Total	12,250,220	6,753,643	1,053,036	537,601	1,041,778	544,015	12,226,354	0.2
Newsprint	7,783,906	3,593,326	644,623	265,208	619,511	255,609	7,539,132	-7.5
Printing & Writing	3,984,250	2,570,081	357,587	214,502	365,862	225,246	4,123,573	15.0
Uncoated Groundwood	1,733,551	1,001,611	155,719	85,251	153,442	82,018	1,833,719	18.2
Coated Print & Impreg. Pap.	1,136,928	823,565	98,606	67,460	116,936	81,998	1,143,849	13.3
Uncoated Free Sheet	991,249	618,187	90,728	49,995	82,732	49,554	1,013,634	11.2
Thin (except Cigarette)	6,759	10,183	801	893	379	490	5,842	-26.4
Bristols	115,764	116,534	11,733	10,903	12,372	11,186	126,529	18.6
Total Pkg & Other Paper	399,411	527,120	39,930	50,010	44,752	54,805	458,137	15.9
Unbleached Kraft Paper	177,342	93,702	19,231	9,519	23,267	11,314	220,971	31.5
Other Pkg. & Indust. Paper	222,070	433,418	20,699	40,491	21,484	43,490	237,166	4.5
Tissue	82,653	63,116	10,896	7,881	11,654	8,356	105,512	45.5
Paperboard, Total	1,080,375	441,508	109,717	44,312	94,780	38,004	1,209,843	19.7
Kraft Paperboard	217,945	81,638	23,305	9,297	13,090	5,626	246,230	25.3
Semi-Chemical Corrugating	267,438	65,898	23,241	6,119	25,563	6,879	334,951	45.6
Other Paperboard	594,992	293,972	63,171	28,896	56,128	25,499	628,662	7.6
Convtd Paper&Paperbd Products	499,972	1,283,698	52,637	122,993	60,315	133,077	632,116	39.8
Paper Products, Total	355,638	1,007,231	36,172	94,424	39,271	98,402	408,564	28.0
Paperboard Products, Total	144,334	276,467	16,464	28,569	21,045	34,675	223,552	68.1
Wet machine Board	924	842	115	102	39	36	909	-14.3
Construction Paper & Board E	139,278	46,857	11,955	4,087	14,219	4,913	143,745	6.9
Notes								
Other: No Weight Avail. ($000)		170,733		16,082		19,173	156,610	5.9
Total Imports Incl. Other($000)		10,584,154		913,504		920,142	10,404,974	3.5

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		May 1994		June 1994		Annual Rate YTD 1994	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	66,709	2,236	109,422	3,990	2,166,964	-13.3
Pulpwood Chips	5,248,132	423,288	541,664	42,235	392,918	32,811	5,221,221	4.5
Total All Exports	21,637,893	9,527,479	2,017,079	902,198	2,106,400	956,968	23,556,312	8.7
Wood Pulp,Total	6,499,065	2,369,414	566,912	217,510	558,938	223,380	6,530,985	-3.0
Cotton Pulp and Other Pulp	124,656	83,505	7,617	6,375	9,376	7,618	105,424	-20.7
Waste and Old Paper	5,888,369	533,240	593,717	61,247	620,634	66,968	6,572,815	12.6
Paper, Board & Products,Total	9,125,803	6,541,320	848,634	617,067	917,452	659,001	10,347,086	15.4
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	700,900	393,480	776,858	433,254	8,687,433	17.3
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	846,548	615,880	914,604	657,540	10,325,649	15.5
Paper & Paperboard, Only	7,494,893	4,224,234	698,814	392,293	774,010	431,793	8,665,994	17.4
Paper, Total	2,586,993	2,066,927	244,976	193,332	266,307	209,179	2,961,097	17.0
Newsprint	1,019,146	496,060	79,922	39,954	80,680	38,741	1,034,473	16.0
Printing & Writing	1,120,439	980,400	118,567	93,849	137,413	111,322	1,416,663	19.0
Uncoated Groundwood	109,386	75,504	11,864	7,703	15,599	9,213	123,604	12.4
Clay Coated Paper	342,036	282,860	30,718	23,258	32,573	26,290	392,250	8.8
Uncoated Free Sheet	425,310	435,213	51,183	45,018	63,209	56,565	643,658	42.0
Other Printing & Writing	243,707	186,823	24,802	17,870	26,033	19,255	257,150	-3.6
Total Pkg. & Other Paper	379,092	501,465	37,797	48,188	38,373	47,384	416,388	9.7
Unbleached Kraft	130,748	66,917	15,799	7,067	14,825	6,565	149,563	19.6
Other Pkg. & Indust. Paper	248,345	434,548	21,998	41,121	23,549	40,819	266,825	4.9
Tissue	68,315	89,002	8,691	11,342	9,841	11,731	93,573	32.6
Paperboard, Total	4,907,901	2,157,307	453,838	198,962	507,703	222,613	5,704,897	17.6
Solid Wood Pulp	4,645,501	2,000,622	429,458	184,986	482,464	208,873	5,431,065	19.0
Total Linerboard	2,995,058	931,801	262,226	81,794	308,742	97,929	3,540,728	22.0
Bleached Kraft Linerboard	14,552	10,840	308	238	369	226	4,148	-70.4
Unbleached Kraft Linerbd	2,980,506	920,961	261,918	81,557	308,373	97,703	3,536,580	22.5
Other Unbleached Kraft	505,984	255,357	56,357	29,096	46,732	25,310	534,882	-2.9
Other Bleached Kraft	1,025,864	776,502	97,887	70,204	119,218	82,913	1,222,588	21.2
Semi-Chemical Corrugating	118,595	36,964	12,987	3,891	7,773	2,721	132,887	31.3
Recycled Paperboard	262,399	156,685	24,381	13,976	25,239	13,740	273,812	-4.6
Convtd Paper&Paperbd Products	1,604,427	2,304,242	147,733	223,587	140,594	225,747	1,659,655	6.3
Paper Products, Total	750,263	1,469,052	66,107	140,125	62,213	139,654	750,206	11.1
Paperboard Products, Total	854,164	835,190	81,626	83,462	78,381	86,093	909,449	2.6
Wet Machine Board	596	400	198	149	0	0	490	-46.9
Construction Paper & Board E	25,886	12,445	1,888	1,038	2,848	1,461	20,949	-17.3
Notes								
Other: No Weight Avail. ($000)		86,234		8,154		8,378	83,507	2.2
Total Exports Incl. Other($000)		9,613,713		910,352		965,346	10,453,627	8.7

SOURCE: Bureau of Census. U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR		APR 1994	MAY 1994	JUN 1994	JUL 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
	1992	1993						
Pulp, Paper and Products except Building Grades	129.2	127.6	127.8	128.7	130.3	132.2	128.6	0.4
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	127.7	128.4	129.1	129.9	128.1	-0.1
Total Wood Pulp	118.9	104.3	106.4	109.2	112.4	114.1	106.8	-0.3
Total Paper	123.2	123.8	121.2	121.4	121.8	123.6	122.2	-1.2
Writing Paper, exc. Newsprint	120.2	120.5	116.4	118.2	116.6	118.6	117.6	-2.0
Newsprint	109.9	112.1	110.3	112.3	113.4	114.8	111.6	-1.0
Total Paperboard	134.3	130.0	134.6	134.7	134.0	137.8	133.2	2.0
Total Paper and Paperboard *	126.7	125.8	125.4	125.6	125.6	128.1	125.6	-0.1
Converted Products	134.8	133.7	133.5	134.4	135.8	135.2	134.1	-0.1
Waste Paper	117.4	117.7	132.4	148.0	198.1	270.1	158.1	28.1
All Commodities	117.2	118.9	119.8	119.9	120.4	120.6	119.8	0.7
Industrial Commodities	117.4	119.0	119.4	119.8	120.6	121.1	119.7	0.4

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U S. Department of Labor * Compuled by AF&PA

COMPENSATION OF EMPLOYEES IN FOREST PRODUCTS AND PAPER RELATED INDUTRIES FROM THE NATIONAL INCOME PRODUCT ACCOUNTS - 1993

	Number of Full Time Equivalent Employees (000)	Number of Full Time & Part Time Employees (000)	Persons Engaged in Production * (000)	Average Annual Earnings per Full Time Equivalent Employee (Dollars)	COMPENSATION OF EMPLOYEES		
					Total	Wages & Salaries	Supplements to Wages & Salaries **
					Millions of Dollars		
Manufacturing	17,676	18,189	18,121	33,604	743,618	593,993	149,625
Durable Goods	10,080	10,290	10,342	35,392	448,469	356,756	91,713
Lumber & Wood Products	707	730	787	24,006	20,952	16,972	3,980
Nondurable Goods	7,596	7,899	7,779	31,232	295,149	237,237	57,912
Paper & Allied Products	684	693	686	36,999	31,082	25,307	5,775
L & W Products as a % of Mfg.	4.0%	4.0%	4.3%		2.8%	2.9%	2.7%
L & W Products as a % of Durables	7.0%	7.1%	7.6%		4.7%	4.8%	4.3%
P & A Products as a % of Mfg.	3.9%	3.8%	3.8%		4.2%	4.3%	3.9%
P & A Products as a % of Nondurable	9.0%	8.8%	8.8%		10.5%	10.7%	10.0%

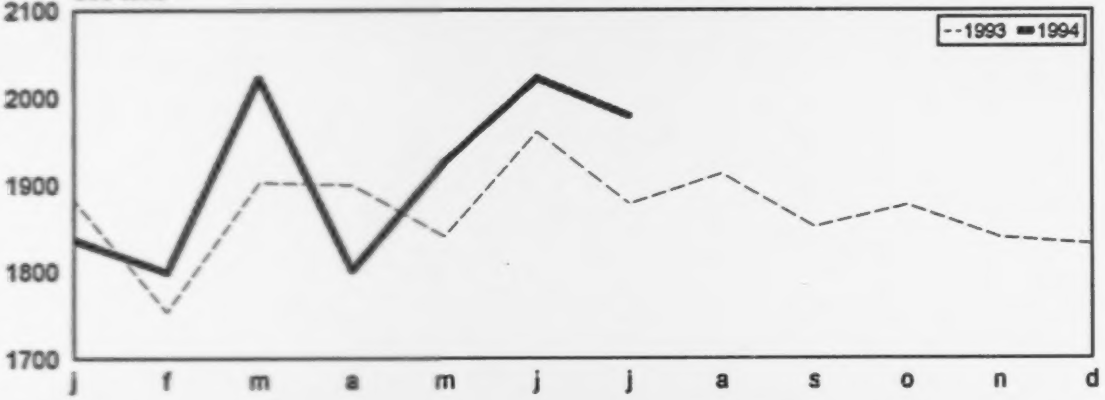
SOURCE: National Income Product Accounts, National Income and Wealth Division, Bureau of Economic Analysis

* Includes Self-Employed Persons. ** Total Compensation less Wages and Salaries.

(see graph on the bottom of page 2) rose from 13 billion pieces in 1975 to 78 billion in 1993 -- a six-fold increase in less than two decades. Recent growth rates ranged from 10% in 1991 to 5% in 1993. A key advantage of inserts is their ability to deliver a message on a particular day. The appeal of inserts is being boosted of late by the growing availability of partial runs. With partial runs, companies could more effectively target their advertising messages to particular regions, thereby reducing costs.

U.S. shipments of the four major printing-writing paper grades have been strengthening during recent months. For instance, shipments exceeded year ago levels by 0.3% through April, 1.5% through June, and 2.0% through July. Moreover, as can be seen from the graph below, the positive differential could well widen as the year progresses due to the weakening pattern of shipments towards the end of 1993.

Printing-Writing Paper Shipments



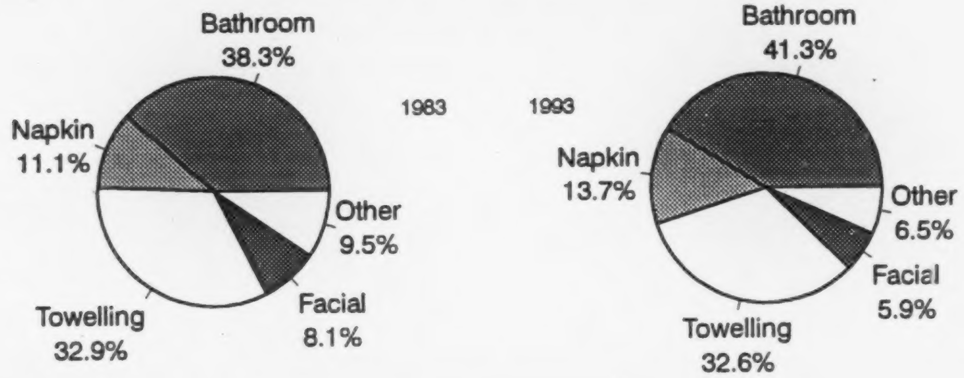
Uncoated groundwood shipments turned in the strongest performance among the major printing-writing grades - up 7.7% through July. Much of the growth was accounted for by increased usage among commercial printers and business forms converters. As was alluded to above, newspaper inserts appear to have been a major source of demand for growth for groundwood paper during recent years.

Coated groundwood shipments have lagged year-ago levels, with shipments down 2.2% through July. But here too there are signs of improvement: shipments in the May-July period ran 15% above average rates during the first four months of 1994.

Kraft paper shipments continued to gain ground, despite ongoing competition from plastics. For instance, shipments of unbleached multiwall sack papers, which have benefitted from manufacturing sector strength, rose 4% versus year ago through July. Shipments of unbleached bag papers -- i.e., the combination of grocer's bag and sack and other bag papers -- increased 2.3%. Total shipments of unbleached kraft papers posted a 0.9% gain through the first seven months of 1994, following a 5% setback in 1993. Shipments of bleached kraft papers, which held stable in 1993, are up 2.7% so far this year.

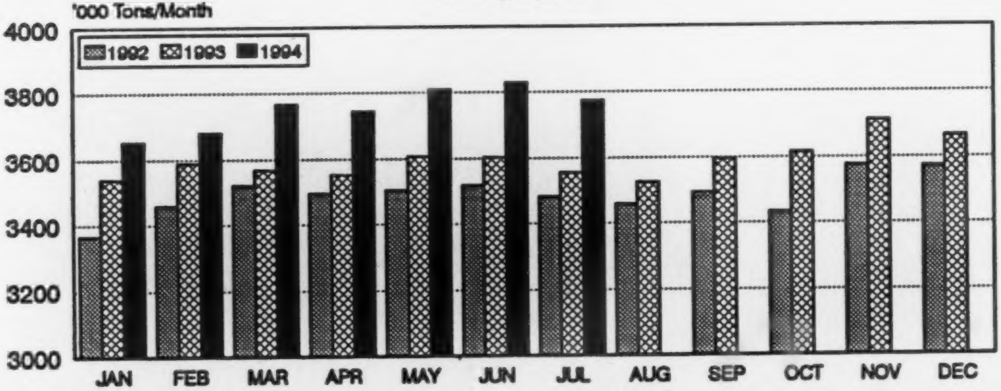
Tissue paper production rose by an above-trend 3.9% from 1992 to 1993, but posted a only a 0.6% increase through July 1994. The chart on the top half of page 12 depicts the relative distribution of tissue paper production by product category in 1983 and 1993. In particular, it shows that bathroom tissue and napkins have increased their respective shares of total tissue paper production since 1983, while toweling maintained its relative position. Facial tissue production, on the other hand, lost ground in both relative and absolute terms, with tonnage production declining from 389,000 tons in 1983 to 353,000 tons in 1993. "Other," which encompasses wiper stock as well as other miscellaneous products, also contracted on a tonnage basis since 1983.

Tissue Paper Production By Type



Paperboard: Seasonally-adjusted paperboard production eased in July, declining 1.4% relative to June. Year-to-date production, however, was still 5.0% ahead of corresponding 1993 totals. Judging from previous patterns, July is generally slower for paperboard production and this easing is not necessarily an indication of weakening market conditions.

TOTAL PAPERBOARD PRODUCTION
seasonally adjusted



Containerboard production held steady in July, but remained 4.9% ahead of year-ago through the first seven months of 1994. Production for export declined 12.6% (37,600 tons) from June, but overall year-to-date export figures were still up a healthy 18.4%. The easing of production for export was offset by growth in production for domestic use, with linerboard posting an especially strong advance. In particular, unbleached kraft linerboard production for domestic use rose 3.1% (45,000 tons) from the previous month, although the year-to-date gain held to 1.8%.

Fiber box shipments also eased in July, but were still up 4.1% relative to year-ago levels. Shipments through the first seven months of 1994 were up 5.0% compared with the same period in 1993. Despite marginal changes in total containerboard inventories during July, the combined weeks of supply for mills and box plants dropped to an all-time low of 3.9 weeks.

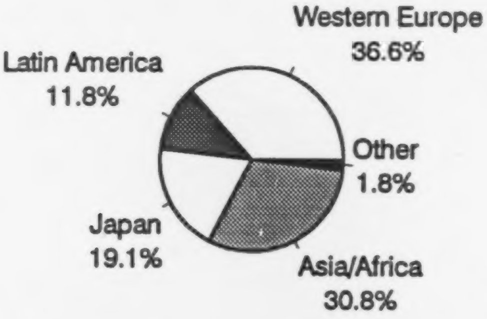
Boxboard production declined almost 2.5% from June to July, but was still a whopping 9% ahead of its July 1993 level. This raised year-to-date growth from 4.5% through the first six months to 5.1% through July. In nearly every boxboard segment, production eased from June levels, but were significantly higher than year-ago figures and lifted the overall year-to-date growth rates. Production for export weakened 11.7% (14,000 tons) from June, but year-to-date growth remains steady at 8.6%.

CHEMICAL PAPER GRADE MARKET PULP

U.S. production of chemical paper grade market pulp was up 0.8% during the first seven month of 1994, while shipments advanced 1.8% versus year ago. Domestic inventories of chemical paper grade market pulp in the hands of producers stood at 546,000 tons at the end of July 1994, versus 865,000 tons a year earlier. Total North American and Scandinavian producer inventories declined from 2.2 million tons to 1.4 million tons over the same twelve-month period.

U.S. shipments of chemical paper grade market pulp to the domestic market were up 1.0% through July, while exports were ahead 2.2%. The largest increases in exports were to Japan (+8.2%) and Western Europe (+3.5%). The chart below shows the distribution of U.S. exports of chemical paper grade market pulp during the first seven months of 1994.

U.S. Chemical Wood Pulp Exports
(January-July 1994)



SALES AND EARNINGS

Sales and earnings of the 29 publically traded paper and allied products companies improved significantly in the second quarter. Sales surged 3.7% in the second quarter versus year-ago, and were up 2.5% for the first six months. Net profits in particular staged an impressive comeback in the second quarter, almost doubling first quarter profits and improving by nearly 37% relative to year-ago.

Second quarter earnings have benefitted from strong growth of exports, as well as low inventory levels in many sectors of the industry and overall strong domestic demand in most product segments. Among other reasons, first quarter earnings were stunted by production/distribution problems owing to the severe weather in many parts of the country. The table below outlines the current financial statistics for the paper and allied products group.

Paper and Allied Products Companies
Sales and Earnings
(29 Companies)

	Sales 1994	 1993	 94/93	Net Profit After Taxes * 1994	 1993	 94/93	Net Profit/Sales 1994	 1993
	(Thousand Dollars)		% Change	(Thousand Dollars)		% Change	%	%
First Quarter	21,894,074	21,620,105	1.3%	200,997	351,685	-42.8%	0.9%	1.6%
Second Quarter	23,234,043	22,394,929	3.7%	401,677	293,476	36.9%	1.7%	1.3%
Third Quarter		22,060,255			(1,992,119)			
Fourth Quarter		22,319,125			(178,108)			
Year to Date	45,128,116	44,015,033	2.5%	602,674	645,161	-6.6%	1.3%	1.5%

* Includes effects of accounting changes and extraordinary items (when provided on a quarterly basis).

COMPENSATION OF EMPLOYEES IN THE SOLID WOOD AND PAPER INDUSTRIES

The annual revisions to the National Income Product Accounts were reported in the July issue of the Survey of Current Business. These Accounts are the official U.S. economic accounts and show the composition of the Nation's output and incomes. They report information by industry as compiled by the Bureau of Economic Analysis. The Table on the lower half of page 10 outlines the breakout of employment and earnings for the solid wood and paper and allied products industries.

Combined, the solid wood and paper industries account for nearly 8% of manufacturing employees and the same percentage of production workers. Lumber and wood products is one of the few industries for which production workers are reported to outnumber total employees. This seeming anomaly arises because the wood products industry encompasses a large number of small operations and the Bureau of Economic Analysis excludes self-employed persons from the total employment count but includes them in the production worker figures.

The solid wood and paper industries together account for 7% of total compensation by the manufacturing sector. Since 1989, both industries have maintained their respective shares of total manufacturing employment and compensation. One interesting note is that as total compensation for all manufacturing increased 16% since 1989, compensation in the nondurables sector grew by more than 23%, while durables have increased only 11.6%. Paper and allied products companies have increased their employees' compensation by almost the same rate as the nondurables sector, while compensation for lumber and wood products employees has risen 9.2%

The National Income Products Accounts of the United States are available in two volumes. Volume 1 covers 1929-1958 ($15.00) and Volume 2 encompasses 1959-1988 ($25.00); international customers should add 25%. To order either volume, contact New Orders, Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954.

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 8
AUGUST, 1994

	(P) JULY 1994	(R) JUNE 1994	JUNE 1993	SEVEN MONTHS 1994	SEVEN MONTHS 1993	% CHANGE YR TO DATE 1994/1993
PAPER GRADES						
Newsprint	597	550	599	4,077	4,117	-1.0
Printing & Writing	2,110	2,163	2,005	14,334	14,061	1.9
Uncoated Groundwood (s)	161	147	150	1,099	1,020	7.7
Coated Groundwood (s)	384	401	338	2,527	2,583	-2.2
Coated Free Sheet (s)	354	352	341	2,312	2,248	2.8
Total Coated Paper (s)	739	753	679	4,839	4,831	0.2
Uncoated Free Sheet Paper (s)	1,078	1,122	1,049	7,448	7,268	2.5
Thin Paper (s)	11	10	12	84	101	-16.1
Cotton Fiber Paper (s)	12	13	12	92	93	-1.0
Bleached Bristols (s)	109	118	103	772	748	3.1
Tissue Paper	496	497	485	3,496	3,473	0.6
Total Pkg & Other Paper	366	405	367	2,717	2,673	1.6
Unbl. Kraft Paper (s)	183	201	188	1,340	1,328	0.9
Bl. Kraft Paper (s)	35	32	32	230	224	2.7
Specialty Pkg. Paper	51	56	51	371	370	0.1
Special Industrial Paper (s)	97	116	97	775	751	3.3
TOTAL PAPER	3,569	3,614	3,457	24,623	24,324	1.2
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,894	1,892	1,810	12,989	12,458	4.3
Unbleached Kraft Linerboard *	1,749	1,750	1,687	12,056	11,560	4.3
Other Unbl. Kraft Paperboard	145	142	123	932	898	3.8
Semichemical Paperboard	495	498	465	3,436	3,285	4.6
Bleached Paperboard	418	436	372	2,842	2,640	7.7
Recycled Paperboard	1,004	1,014	944	7,011	6,647	5.5
TOTAL PAPERBOARD	3,812	3,840	3,591	26,278	25,030	5.0
TOTAL PAPER & PAPERBOARD	7,380	7,454	7,048	50,901	49,354	3.1

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	JULY 1994	JUNE 1994	JULY 1993	SEVEN MONTHS 1994	SEVEN MONTHS 1993	%CHANGE YR TO DATE 1994/1993
Total	759	721	673	4,937	4,849	1.8%
Total Sulfate	739	707	656	4,827	4,739	1.9%
Bleached Sulfate	709	680	642	4,684	4,619	1.4%
Softwood	428	384	366	2,747	2,797	-1.8%
Hardwood	281	296	276	1,936	1,821	6.3%
Unbleached	30	27	14	143	120	19.3%
Sulfite Blch & Unblch	19	14	18	110	111	-0.3%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,440	5,207	5,108	36,951	36,374	1.6%
Recovered Paper	2,375	2,456	2,338	16,931	16,215	4.4%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA September 9, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD -- Tons (000)			MAY	JUN	JUL		
Total Production (AFPA)..........: excluding :......................	82,958	84,957	7,373	7,454	7,380	87,259	3.1
Total Seasonally Adjusted.........: construction :......................			7,409	7,527	7,304	87,504	3.1
Imports (including Products)......: and wet :....E..................	12,408	13,831	1,215	1,197	1,196	14,109	3.0
Exports (including Products)......: machine :....E..................	8,946	9,099	847	915	891	10,378	16.8
Apparent Consumption..............: grades :....E..................	86,418	89,689	7,778	7,809	7,609	91,235	1.7
Paper Production % Tonnage Capacity..................	91.1	91.8	90.6	94.6	90.5	91.7	
Paperboard Production % Tonnage Capacity..................	94.4	94.8	97.2	100.6	96.7	97.9	
PAPER, PAPERBOARD & PRODUCTS			MAY	JUN	JUL		
Imports.....:including Construction and :....E..................	12,543	13,971	1,227	1,211	1,209	14,255	3.1
Exports.....: WMB Grades (excl. HPB) :....E..................	8,971	9,126	849	917	893	10,400	16.7
Market Wood Pulp Shipments - Tons (000)	8,291	8,386	686	721	759	8,464	1.8
Wood Pulp Imports - Tons (000)....E	4,882	5,320	517	456	466	5,556	2.5
Wood Pulp Exports - Tons (000)....E	6,421	5,851	516	501	505	5,880	-0.7
Raw Materials Consumption - Tons (000)							
Wood Pulp.............:consumption for:..................	56,873	62,356	5,358	5,207	5,440	63,345	1.6
Recovered Paper.......:constuction & :..................	25,336	27,995	2,508	2,456	2,375	29,025	4.4
Total.............: WMB grades :..................	80,168	90,351	7,866	7,663	7,815	92,370	2.5
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	8,729	8,743	9,066	106,546	0.6
Employment (000)			MAY	JUN	JUL		
Paper and Allied Products..RS.......Total..................	687.3	689.4	681.2	689.0	688.1	683.0	-1.1
Pulp, Paper and Board Mills..RS.....Total..................	238.8	235.4	229.4	232.4	231.9	230.9	-2.5
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS..................	13.07	13.41	13.70	13.68	13.80	13.7	2.6
Pulp, Paper Mills.......RS..................	16.19	16.71	17.10	17.11	17.26	17.1	3.2
Paperboard Mills........RS..................	16.24	16.77	17.13	17.05	17.30	17.1	2.9
New Plant & Equip. Expenditures, Paper & Allied Prod.			IIIQ '93	IVQ '93	IQ '94		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.30	9.64	10.67	10.01	10.79 y	2.5
Index of Output per Man-Hour (1987=100)			MAY	JUN	JUL		
:In Pulp, Paper:...Production Workers..................	113.2	117.5	124.2	125.2	121.2	122.1	4.0
:and Board Mills:...All Employees..................	112.9	117.2	125.0	125.9	121.9	122.8	4.8
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	11,137	11,209	11,263	131,817	1.7
Pulp, Paper and Paperboard*	53,442	52,111	4,400	4,411	4,438	51,936	-0.9
Inventories (End of Period) - Total Industry*	13,387	13,487	13,486	13,483	13,524	13,524	-0.5
Pulp, Paper and Paperboard*	5,535	5,783	5,782	5,207	5,565	5,565	-2.7
Paper & Allied Products Companies (Million $)			IIIQ '93	IVQ '93	IQ '94		
Sales (Corporations Only)..................	127,562	131,232	33,148	33,029	32,896	131,584	3.2
Earnings (Corporations Only)..................	1,213	(201)	(1,746)	4	701	2,804	-3.4
Depreciation (Corporations Only)..................	6,974	7,345	1,840	1,837	1,896	7,584	5.3
Net Worth (Corporations Only)..................	47,520	47,897	45,967	44,689	45,842	45,842	-4.3
Price Indexes (Bureau of Labor Statistics) 1982=100			MAY	JUN	JUL		
Pulp, Paper & Products, ex. Building Grades..................	129.4	127.6	128.7	130.3	132.2	128.6	0.4
Wood Pulp..................	118.9	104.3	109.2	112.4	114.1	106.8	-0.3
Waste Paper..................	117.4	117.7	148.0	198.1	270.1	158.1	28.1
Paper..................	123.2	123.8	121.4	121.8	123.6	122.2	-1.2
Paperboard..................	134.3	130.0	134.7	134.0	137.8	133.2	2.0
Paper Demand (Indexed: 1987=100)			MAY	JUN	JUL		
Total Paper Production *..................	110.8	112.9	117.0	120.2	114.7	115.1	1.2
Paper New Supply *..................	102.5	106.5	109.9	111.7	107.4	107.5	0.2
Demand Indicators - (Weighted Average) *..................	101.0	105.6	108.8	108.8	108.7	108.0	2.5
Production of Nondurable Goods..RS........*....(21.2%)..................	106.6	108.7	112.7	112.9	113.1	111.7	2.9
Disposable Income..........................*....(23.9%)..................	110.9	112.6	116.0	115.9	116.1	115.4	3.1
Total Printing and Publishing..RS...........*....(54.9%)..................	99.1	101.4	104.1	104.2	103.8	103.4	1.9
Paperboard Demand (Indexed: 1987=100)			MAY	JUN	JUL		
Total Paperboard Production *..................	111.9	115.2	122.1	122.7	120.9	120.2	5.0
Production for Domestic Use ......E..................	109.6	113.5	119.7	119.7	119.6	117.5	3.8
Demand Indicators - (Weighted Average) *..................	106.5	110.4	114.4	115.3	115.6	114.5	4.2
Production of Consumer Goods..RS.........*....(62.06%)..................	105.9	106.8	111.3	112.3	112.7	111.7	3.0
Production of Equipment..RS..................*....(5.75%)..................	111.3	118.6	126.1	126.4	126.7	125.8	7.4
Production of Materials..RS..................*....(32.19%)..................	107.8	112.0	118.4	119.1	119.3	117.8	6.1
Market Data			MAY	JUN	JUL		
Newsprint Demand (SAAR) - Tons (000)...R.....E..................	12,620	12,742	12,401	12,687	12,687	12,550	-3.3
Newspaper Pub. and Printing Empl. Total(000)..................	451	451	450	454	453	451	0.1
Magazine Advertising Pages (PIB, Inc.)	170,303	170,982	16,052	14,908	11,077	167,851	3.8
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales..................	54,172	58,847	5,166	5,409	5,052	61,265	7.9
Inventories (End of Period)..................	5,569	6,181	6,382	6,414	6,533	6,533	13.8
Fibre Box Data (Fibre Box Association)			MAY	JUN	JUL		
Fibre Box Shipments (Million square feet)..................	335,696	353,755	30,285	31,565	31,189	366,226	6.0
Container'bd Inventory at Mill & Plant (000 Tons)..................	2,918	2,501	2,420	2,337	2,343	2,343	-17.6
Retail Trade (Billion $)							
Total Retail Sales *..................	1,959	2,080	183	185	185	2,198	7.4
Nondurable Goods Stores Sales *..................	1,252	1,296	111	112	113	1,336	3.8
General Economic Data			MAY	JUN	JUL		
Total Industrial Production (Index 1987 = 100)*..................	106.5	111.0	116.3	116.9	117.2	116.0	5.3
Producer Prices (All Commodities, Index: 1982=100)..................	117.2	118.9	119.9	120.4	120.6	119.8	0.7
Consumer Prices (All Items-Urban Con.) (1982-4=100)..................	140.3	141.9	147.5	148.0	148.4	147.3	5.7
Gross Domestic Product - Annual Rate (Billion$) *			IVQ '93	IQ '94	IIQ '94		
G.D.P. or Expenditure - Current $..................	6,020.2	6,343.3	6,478.1	6,574.7	6,685.5	6,630.1	4.5
G.D.P. or Expenditure - 1987 $..................	4,979.3	5,134.5	5,218.0	5,261.1	5,310.2	5,285.7	2.9
Paper & Paperboard Consumption - Pounds per Capita	677	694				699	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

Paper, Paperboard & Wood Pulp

A Monthly Statistical Summary from the American Forest & Paper Association

September 1994 **Vol. 72 No. 9**

HIGHLIGHTS

- Seasonally-adjusted paper and paperboard production rebounded to near record levels in August after easing somewhat in July. The paper and paperboard segments of the industry both contributed to the August advance, which left production for the year so far up a strong 3.8%.

- Printing-writing paper shipments advanced vigorously in August, lifting their year-to-date growth performance to 3.2%, versus less than 1% during the first half of 1994.

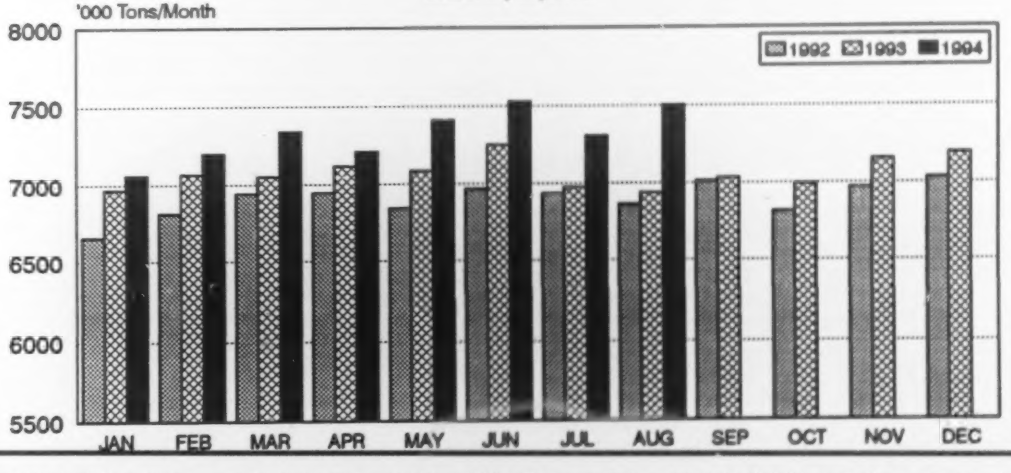
- Newsprint publishers added inventory in July and August after paring stocks during most of 1994. Shipments of newsprint to the U.S. market exceeded year-ago levels by 7.6% in July and 8.6% in August.

- Kraft paper shipments have been gaining ground this year, reflecting rapid growth in retail sales and higher packaging demand across the board.

- Box shipments and containerboard production for domestic use are being paced by rapid expansion of the U.S. manufacturing sector. Box shipments exceeded their year-ago volume by 5.6% during the first eight months of this year and rose to a seasonally-adjusted annual rate of 386 billion square feet in August, their highest monthly level so far this year.

- The U.S. paper industry's trade exposure -- measured as imports plus exports as a percent of production -- escalated from 20% in 1983 to 28% during the initial seven months of 1994. The table on page 14 reports 1991 dollar shipments and imports/exports for selected paper industry categories.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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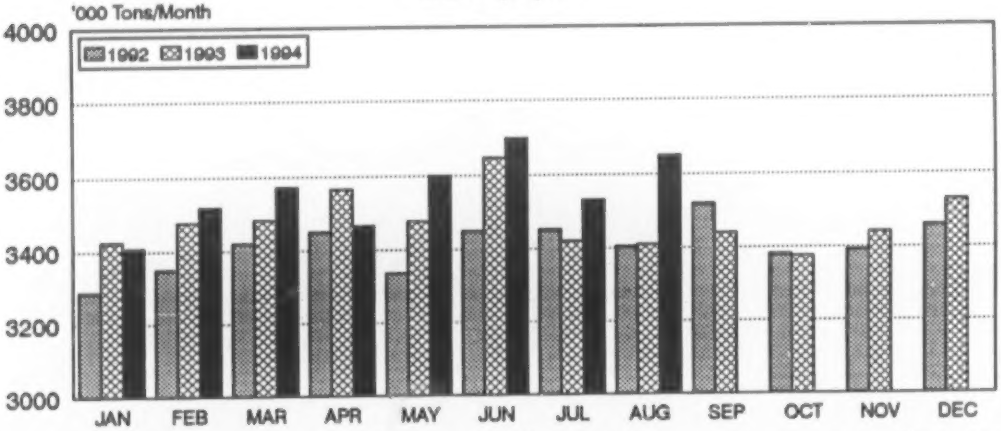
Paper: Seasonally-adjusted paper production rebounded to 3.65 million tons in August, up sharply from July but still slightly shy of its all-time high of 3.70 million tons in June of this year. The industry's paper segment continued to manifest emerging strength across a broad spectrum of grades.



TOTAL PAPER PRODUCTION
seasonally adjusted

Shipments of newsprint to the U.S. from North American and overseas mills exceeded year-ago levels by 7.6% in July and 8.6% in August, but lagged by 1.7% through the first eight months of 1994. As was noted in previous issues of this report, the lagging performance was partly attributable to inventory swings. Whereas publishers added 229,000 tons to inventory during the first eight months of 1993, they held stocks approximately stable, on balance, since the end of last year. On an inventory-adjusted basis, newsprint usage was up 0.5% through August and by 2.3% in the July-August period.

Demand for printing-writing papers continued to chart a steady comeback in August, with shipments up more than 8% from July and 3.2% on a year-to-date basis. If shipments volumes are maintained, year-to-date growth differentials will continue to widen, given the weakening pattern exhibited by printing-writing paper shipments in the second half of 1993.

Uncoated groundwood paper shipments firmed 1.9% from July to August and are up more than 7% relative to 1993 levels for the year so far.

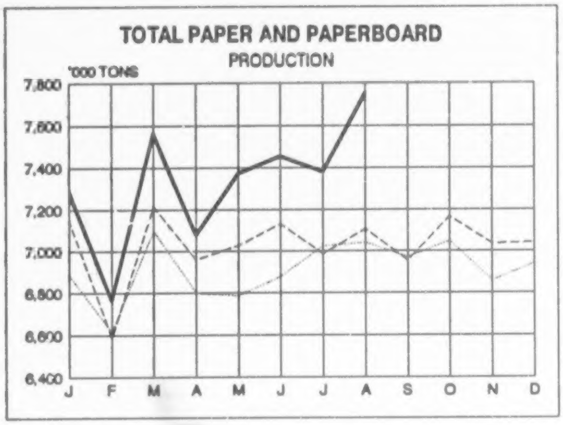
Growth patterns for coated papers appear to have turned the corner. As of July, these grades had been lagging year-ago volumes by 1.3%, but were ahead a solid 2% through the first eight months of 1994. August alone witnessed an increase of more than 11% for shipments of these grades. Supporting evidence that shipments of coated papers are expected to continue to gain momentum can be found in new orders, which are reported to be up almost 20% from July and 9.3% on a year-to-date basis.

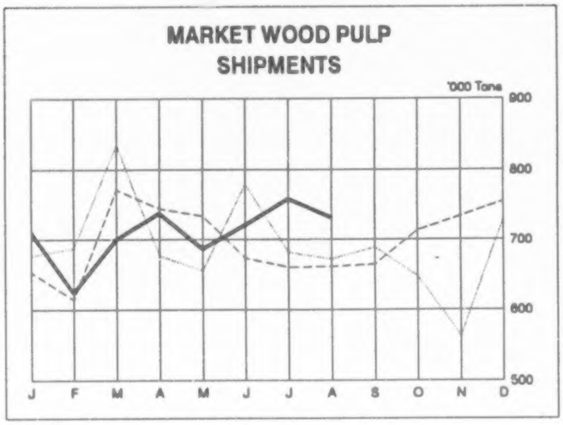
Uncoated freesheet grades fared well in August as shipments rose almost 8% from July and new orders rose more than 17%. On a year-to-date basis, shipments are ahead 3.6% and new orders are up by 3.3%.

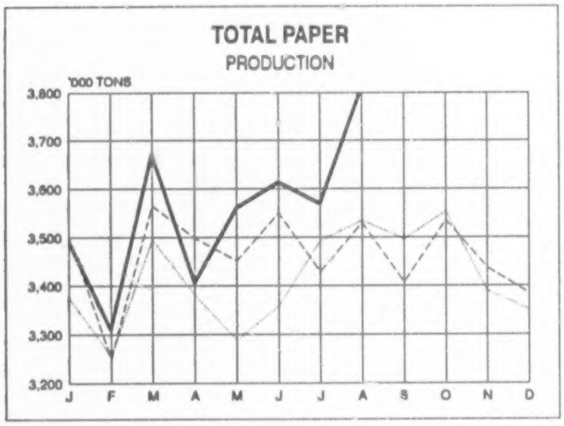
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		MAY	JUNE	JULY (R)	AUG (P)	Annual Rate Y-T-D	% Change From Same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
PAPER								
Newsprint - Production	7,082	7,067	593	550	597	598	7,013	-1.0
- Shipments	7,125	7,043	598	568	594	596	7,042	0.6
Printing & Writing: Total Shipments	23,394	24,062	2,066	2,163	2,110	2,288	24,933	3.2
Groundwood Paper - Shipments	1,609	1,799	159	147	161	164	1,894	7.2
- New Orders	1,655	1,883	159	153	187	163	1,993	5.3
- Unshipped Orders	164	243	173	174	199	197	197	-19.1
Coated Groundwood - Shipments	4,364	4,340	385	401	384	404	4,396	-0.2
Coated Free Sheet - Shipments	3,755	3,937	324	352	354	416	4,092	4.6
Total Coated Papers - Shipments	8,119	8,276	709	753	739	820	8,489	2.0
- New Orders	8,151	8,377	829	815	826	988	9,260	9.3
- Unshipped Orders	903	757	889	939	1,028	1,212	1,212	60.1
Unctd Free Sheet - Shipments	12,170	12,355	1,058	1,122	1,078	1,162	12,916	3.6
- New Orders	12,293	12,500	1,011	1,147	1,021	1,197	13,162	3.3
- Unshipped Orders	720	902	876	891	853	895	895	-0.8
Thin Papers - Shipments	175	169	13	10	11	13	146	-12.6
Cotton Fiber Paper - Shipments	159	160	13	13	12	14	159	-0.2
Bleached Bristols - Shipments	1,163	1,303	114	118	109	114	1,329	3.9
Tissue Paper - Production	5,784	6,008	512	497	496	531	6,040	0.8
Total Packaging & Other Paper	4,713	4,608	390	405	366	393	4,664	1.5
Unbl. Kraft Paper - Shipments	2,380	2,259	188	201	183	192	2,298	1.2
Bl. Kraft Paper - Shipments	403	400	30	32	35	38	403	1.9
Specialty Pkg. Paper - Production	687	644	55	56	51	58	644	0.8
Special Industrial Paper - Production	1,244	1,304	117	116	97	104	1,319	2.3
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,745	3,561	3,614	3,569	3,810	42,650	2.0
TOTAL PAPER PRODUCTION - SEAS ADJ			3,600	3,699	3,530	3,649	42,660	1.9
PAPERBOARD - PRODUCTION								
Containerboard	29,374	29,821	2,605	2,628	2,630	2,693	31,236	5.4
Cont'bd For Dom Use for Fibre Boxes	25,763	26,409	2,299	2,308	2,345	2,423	27,471	4.5
Total Linerboard	17,785	18,235	1,571	1,583	1,628	1,678	18,856	3.8
Unbleached Kraft	16,850	16,732	1,428	1,442	1,487	1,538	17,199	3.1
Solid Bleached	150	158	13	15	14	14	160	1.5
Recycled	784	1,346	131	127	126	125	1,497	12.1
Corrugating Medium	7,978	8,173	727	725	718	746	8,615	6.0
Semichemical	5,582	5,507	492	484	481	500	5,751	4.8
Recycled	2,396	2,666	235	241	237	246	2,865	8.4
Other Containerboard for Dom Use	345	309	26	26	28	21	289	-9.9
Containerboard for Export	3,267	3,103	281	294	257	249	3,475	15.4
Boxboard	12,611	13,392	1,207	1,212	1,182	1,250	14,095	5.8
Boxboard for Packaging for Dom Use	7,338	7,768	681	692	684	717	8,067	3.8
Folding Boxboard	5,519	5,863	509	522	520	549	6,059	3.2
Solid Bleached	1,757	1,828	172	178	171	192	1,966	8.1
Unbleached Kraft	1,143	1,197	114	116	117	104	1,296	7.4
Recycled *	2,620	2,838	224	228	232	253	2,797	-1.6
Set-up Boxboard for Dom Use	283	323	28	26	22	26	311	-2.4
Milk Carton & Food Service Dom Use	1,536	1,583	144	144	142	142	1,697	7.4
Other Boxboard for Domestic Use	4,153	4,479	416	403	394	421	4,789	8.1
Boxboard for Export	1,119	1,145	111	117	103	112	1,240	9.8
Paperboard Production by Furnish	41,985	43,213	3,812	3,840	3,812	3,943	45,331	5.5
Unbleached Kraft	21,658	21,447	1,869	1,892	1,894	1,921	22,364	4.9
Semichemical	5,762	5,672	502	498	495	512	5,921	4.6
Solid Bleached Kraft	4,503	4,583	425	436	418	445	4,931	8.4
Recycled	10,063	11,510	1,017	1,014	1,004	1,066	12,115	5.9
Paperboard Production for Export	4,386	4,249	391	411	360	361	4,715	13.9
Unbleached Kraft	3,320	3,209	302	308	262	258	3,580	15.1
Semichemical	180	165	10	14	15	12	171	-3.1
Bleached Kraft	812	795	73	77	72	78	849	10.0
Recycled	74	79	7	12	12	13	116	39.0
TOTAL PAPERBOARD PRODUCTION - UNAD	41,985	43,213	3,812	3,840	3,812	3,943	45,331	5.5
TOTAL PAPERBOARD PROD - SEAS ADJ			3,806	3,829	3,774	3,850	45,156	5.5
PAPER AND PAPERBOARD - UNADJ	82,958	84,957	7,373	7,454	7,381	7,753	87,981	3.8
PAPER AND PAPERBOARD - SEAS ADJ			7,409	7,527	7,304	7,500	87,816	3.7

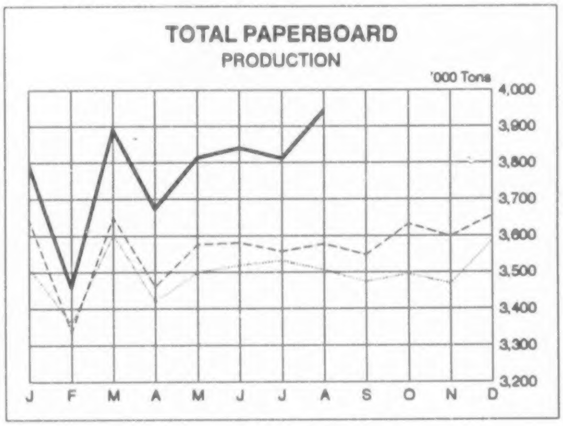
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

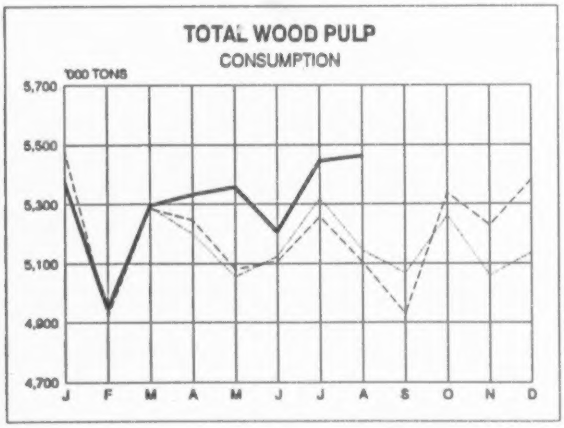
* Container Chip and Filler reclassified into Recycled Corrugating Medium

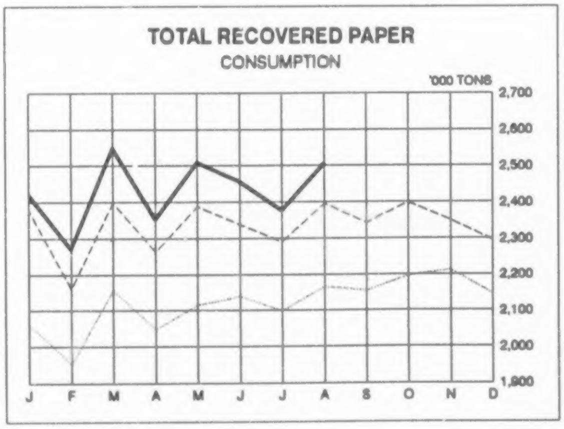












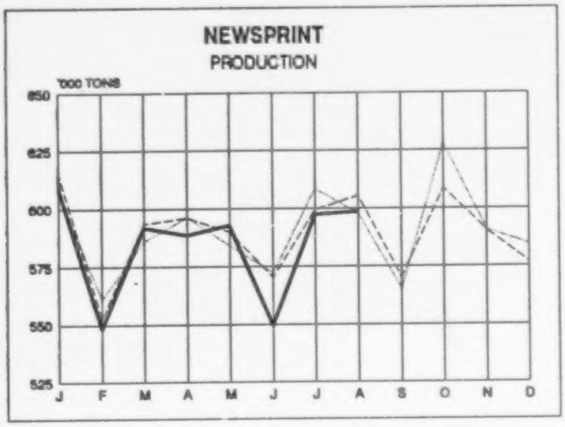
1992 .... 1993 ------ 1994 ——

WOOD PULP STATISTICS (Thousands of Tons)		YEAR		MAY	JUN	(R) JUL	(P) AUG	Annual Rate Y-T-D	% Change From Same Period Last Year
		1992	1993	1994	1994	1994	1994	1994	
TOTAL WOOD PULP									
Total Wood Pulp (Paper Grades)	Production	63,960	62,908	5,265	5,265	5,545	5,493	64,000	1.8%
	Imports	4,882	5,320	517	456	471	481	5,591	2.9%
	Exports	6,421	5,850	516	501	559	525	6,012	1.0%
	New Supply	62,421	62,377	5,266	5,220	5,457	5,449	63,578	2.2%
Paper Grades Chemical Pulp	Production	53,358	52,738	4,434	4,488	4,706	4,640	54,086	2.9%
	Imports	4,570	4,889	480	418	426	441	5,129	3.0%
	Exports	6,321	5,747	510	490	548	516	5,917	1.6%
	New Supply	51,607	51,880	4,405	4,416	4,584	4,565	53,298	3.0%
Groundwood and Thermo-Mech.	Production	6,501	6,158	496	437	479	493	5,827	-6.7%
	Imports	312	431	36	38	45	40	462	0.8%
	Exports	100	104	6	11	11	9	96	-24.2%
	New Supply	6,713	6,485	526	464	514	524	6,193	-5.8%
Semi-Chemical	Production	4,101	4,012	335	340	360	359	4,087	1.0%
	Imports								
	Exports								
	New Supply	4,101	4,012	335	340	360	359	4,087	1.0%
MARKET WOOD PULP									
Paper Grades Chemical Pulp	Production	8,670	8,117	674	697	753	729	8,395	1.0%
	Imports	2,946	3,132	325	286	275	299	3,421	10.4%
	Exports	5,906	5,571	444	489	522	477	5,615	3.1%
	New Supply	5,709	5,678	554	494	506	550	6,201	4.0%

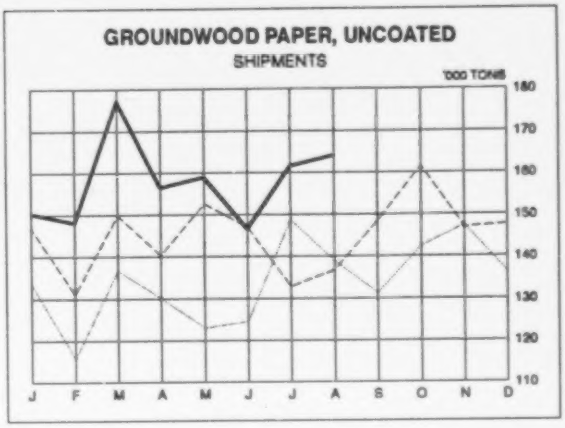
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AF&PA. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		MAY	JUN	(R) JUL	(P) AUG	Annual Rate Y-T-D	% Change From Same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,866	7,663	7,822	7,969	92,787	2.9%
Total Wood Pulp	62,011	62,356	5,358	5,207	5,445	5,463	63,629	2.3%
Recovered Paper	25,440	27,995	2,508	2,456	2,377	2,506	29,158	4.4%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	245	195	167	166	167	155	155	-29.6%
Producers' Market Inventories	676	614	574	550	544	541	541	-40.5%
Consumers' Purchased Inventories *	388	382	394	391	389	396	396	-0.6%
Recovered Paper at Paper & Bd. Mills	1,114	1,097	905	927	900	996	996	-4.2%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	26	25	24	23	22	22	-47.6%

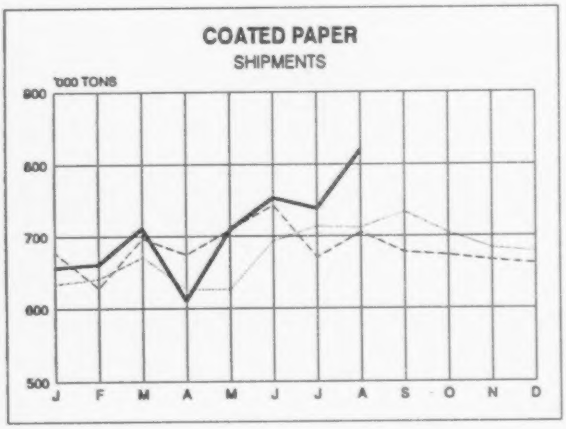
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AF&PA. N/A - Not Available.
Recovered Paper Data: Paper Recycling Committee, AF&PA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.



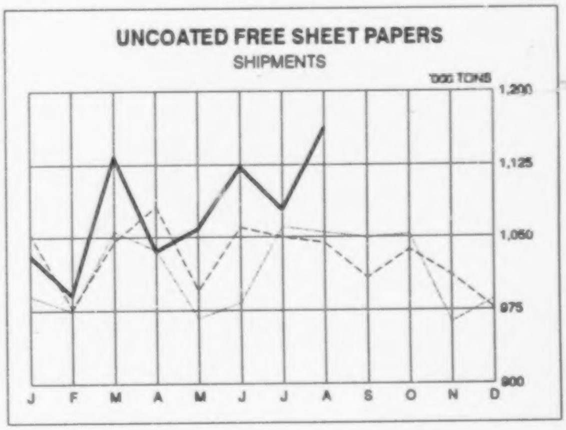
NEWSPRINT
PRODUCTION



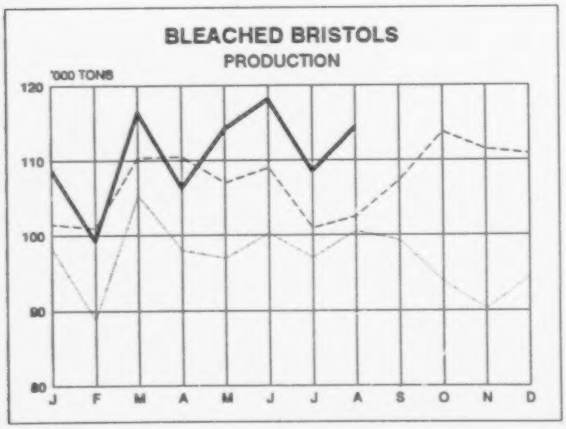
GROUNDWOOD PAPER, UNCOATED
SHIPMENTS



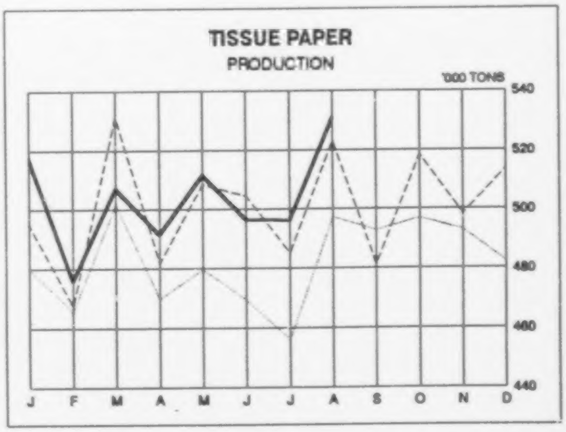
COATED PAPER
SHIPMENTS



UNCOATED FREE SHEET PAPERS
SHIPMENTS



BLEACHED BRISTOLS
PRODUCTION



TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR		May 1994	Jun 1994	Jul 1994	Aug 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
	1992	1993						
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,082	8,634	8,821	8,805	9,267	106,700	1.0
- Total Consumpt	104,598	105,275	8,729	8,743	9,066	9,130	106,923	1.3
- Residues *	39,784	43,134	3,618	3,601	3,633	3,806	43,770	1.5
- Inventories	5,314	5,989	5,503	5,561	5,234	5,446	5,446	-0.2
So. Atlantic - Total Receipts	33,704	34,958	2,816	2,881	2,871	2,962	34,807	-1.2
- Total Consumpt	34,015	34,693	2,851	2,835	2,947	2,924	34,820	-0.1
- Residues *	13,173	14,916	1,218	1,237	1,274	1,293	15,048	1.3
- Inventories	1,199	1,503	1,307	1,360	1,287	1,336	1,336	-4.2
Northeast - Total Receipts	7,511	7,791	629	601	657	679	7,886	0.8
- Total Consumpt	7,341	7,751	617	596	662	675	7,763	-0.6
- Residues *	1,800	1,782	168	159	145	175	1,884	3.5
- Inventories	347	330	323	329	322	310	310	-1.3
South Central - Total Receipts	42,865	44,542	3,730	3,790	3,729	4,004	45,561	3.9
- Total Consumpt	42,956	44,039	3,744	3,797	3,854	3,904	45,542	3.8
- Residues *	15,544	17,596	1,511	1,538	1,489	1,530	16,057	2.8
- Inventories	1,736	2,128	1,891	1,845	1,670	1,854	1,854	2.7
North Central - Total Receipts	7,310	7,419	586	657	630	667	7,766	5.3
- Total Consumpt	7,339	7,508	653	633	598	646	7,671	1.9
- Residues *	1,139	1,118	93	103	96	107	1,161	9.9
- Inventories	813	721	737	772	787	805	805	16.0
West - Total Receipts	12,701	11,372	873	892	918	955	10,881	-6.0
- Total Consumpt	12,947	11,284	864	882	1,005	981	11,129	-3.5
- Residues *	8,128	7,722	628	564	629	701	7,620	-2.7
- Inventories	1,219	1,307	1,245	1,255	1,168	1,142	1,142	-8.6

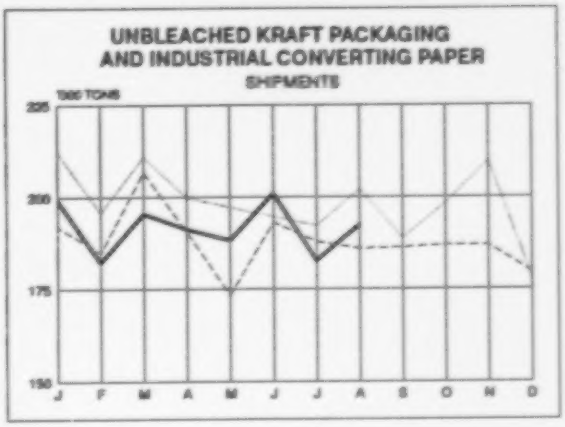
* - Consumption of Residues in Cord Equivalents.

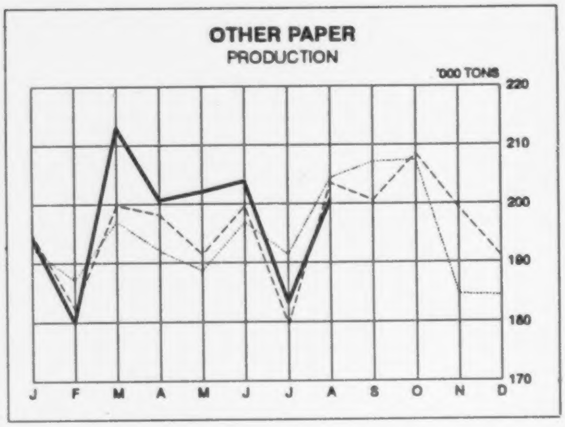
SOURCE: American Pulpwood Association

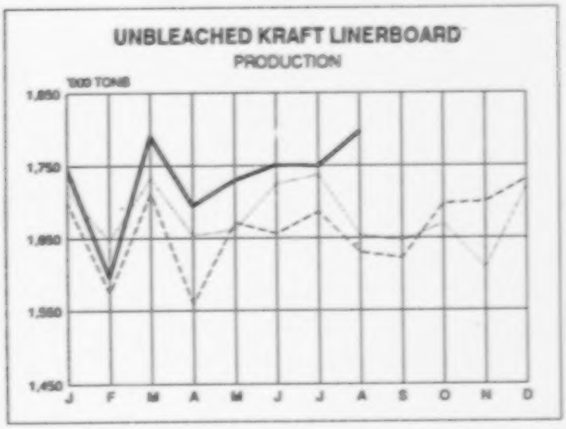
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						Annual Rate Y-T-D 1994 Tons	% Change From same Period Last Year
	YEAR 1993		June 1994		July 1994			
	Tons	($000's)	Tons	($000)	Tons	($000)		
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M
Pulpwood chips	360,080	16,096	2,532	162	17,365	704	107,192	-72.5
Wood Pulp, Total	4,662,246	1,608,657	407,009	153,397	435,997	169,632	4,925,071	2.5
Waste Fibrous Materials, Total	127,838	19,399	18,131	2,193	19,781	2,592	213,320	61.3
Paper, Board & Products, Total	11,548,456	5,681,810	999,431	508,619	1,034,683	528,053	11,924,056	1.0
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	968,158	447,004	1,005,024	469,385	11,590,858	0.2
Paper, Paperboard & Products	11,427,296	5,653,489	987,333	505,462	1,023,573	524,898	11,796,901	0.9
Paper & Paperboard, Only	11,170,712	5,129,264	956,059	443,848	993,914	466,230	11,463,702	0.1
Paper, Total	10,249,618	5,221,372	878,631	413,893	915,590	433,880	10,441,562	-1.2
Newsprint	7,630,129	3,546,762	610,942	252,490	652,512	272,674	7,499,312	-4.8
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	230,599	132,911	227,578	134,740	2,547,536	8.4
Pack. & Ind. Conv. Paper	204,576	125,317	21,497	12,435	23,000	13,275	239,946	18.8
Special Industrial Paper	60,409	101,041	5,970	9,169	5,537	8,178	64,248	3.7
Tissue Paper	73,952	56,474	9,623	6,887	6,963	5,013	90,520	23.3
Paperboard, Total	921,094	343,269	77,429	29,955	78,325	32,350	1,022,140	15.9
Convtd Paper&Paperbd Products	256,584	556,374	31,273	61,615	29,658	58,668	333,199	38.4
Wet Machine Board	800	749	39	36	63	64	847	-3.2
Construction Paper & Board	120,361	30,217	12,059	3,121	11,047	3,092	126,308	7.6
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	108,416	3,937	151,306	5,344	2,069,174	-12.4
Pulpwood chips	363,398	18,332	81,000	3,653	69,452	3,047	736,345	132.3
Wood Pulp, Total	313,005	133,450	25,364	10,266	26,041	10,626	327,509	-3.3
Cotton Pulp & Other Pulp	5,710	3,341	490	240	196	152	4,142	-43.6
Waste Paper	1,182,448	142,952	139,459	17,871	135,841	18,707	1,415,888	19.1
Paper, Board & Products, Total	1,710,071	1,658,778	166,855	166,622	148,638	149,334	1,782,094	6.0
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	119,254	92,422	107,884	82,639	1,253,183	6.0
Paper, Paperboard & Products	1,704,072	1,656,494	165,794	166,177	146,847	148,673	1,773,410	5.8
Paper & Paperboard, Only	1,225,877	928,862	118,192	91,977	106,094	81,978	1,274,499	5.8
Paper, Total	671,502	687,704	65,333	64,985	59,580	58,295	696,666	1.9
Newsprint	14,376	6,997	760	405	870	464	9,375	-52.7
Printing, Writing & Rel. Pap.	480,105	470,309	48,017	44,585	44,035	39,837	513,199	3.9
Pack. & Ind. Conv. Paper	56,540	42,700	4,605	3,457	3,225	2,459	49,596	-9.3
Special Industrial Paper	85,450	133,523	8,027	12,713	7,714	12,082	83,170	0.4
Tissue Paper	35,031	34,175	3,924	3,825	3,736	3,452	43,326	24.8
Paperboard, Total	554,375	299,348	52,860	26,991	46,514	23,683	575,833	11.1
Convtd Paper&Paperbd Products	478,195	754,164	47,602	74,200	40,754	66,696	498,911	5.9
Wet Machine Board	0	0	0	0	0	0	0	N.M
Construction Paper & Board	5,999	2,402	1,062	445	1,790	661	8,685	45.6

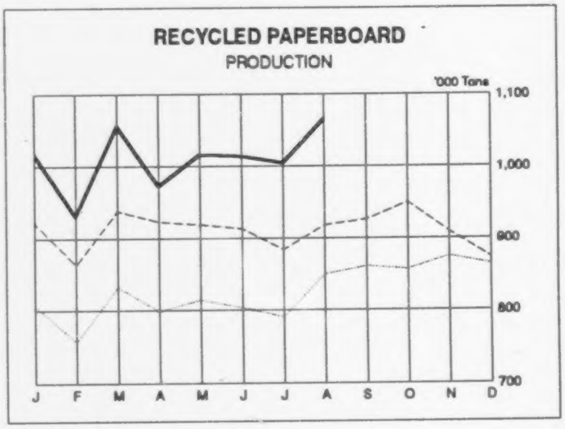
SOURCE: Bureau of Census, Department of Commerce.

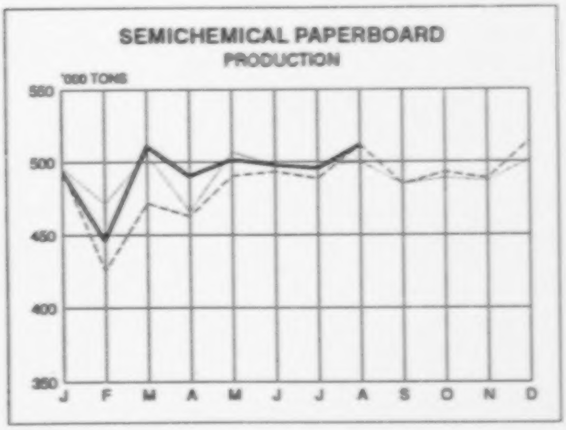
N.M. - Not Meaningful

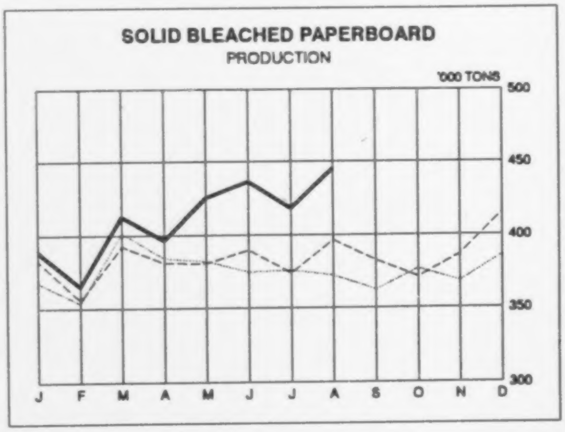

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1992 .... 1993 ------ 1994 ———

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		June 1994		July 1994		Annual Rate YTD 1994	% Change from same Period
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	Last Year
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	7,929	1,049	21,712	1,414	456,836	-15.0
Total All Imports	19,529,543	10,413,422	1,694,432	900,969	1,747,468	932,670	20,190,039	3.6
Wood Pulp Total	5,412,797	1,860,163	462,955	177,759	479,205	185,947	5,637,296	2.4
Waste Paper	137,835	22,285	18,871	2,428	20,457	2,643	220,528	58.5
Other Fibrous Materials	8,143	4,425	1,474	737	1,844	707	13,736	89.7
Paper Board & Products Total	13,970,768	8,526,549	1,211,132	720,045	1,245,963	743,372	14,318,479	3.5
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,150,817	586,968	1,189,828	613,555	13,680,434	2.3
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,196,874	715,096	1,232,771	738,229	14,171,876	3.5
Paper & Paperboard Only	13,330,595	7,195,151	1,136,558	582,019	1,176,636	608,413	13,533,831	2.3
Paper Total	12,250,220	6,753,643	1,041,778	544,015	1,081,536	565,855	12,333,794	1.0
Newsprint	7,783,906	3,593,326	619,511	255,609	658,510	274,341	7,590,987	-5.6
Printing & Writing	3,984,250	2,570,081	365,862	225,246	368,510	229,475	4,166,222	12.9
Uncoated Groundwood	1,733,551	1,001,611	153,442	82,018	153,019	84,398	1,834,078	15.6
Coated Print.& Impreg. Pap.	1,136,928	823,565	116,936	81,998	121,183	84,273	1,188,184	11.4
Uncoated Free Sheet	991,249	618,187	82,732	49,554	82,004	49,344	1,009,407	10.1
Thin (except Cigarette)	6,758	10,183	379	490	746	938	6,286	-19.4
Bristols	115,764	116,534	12,372	11,186	11,558	10,523	128,268	13.0
Total Pkg & Other Paper	399,411	527,120	44,752	54,805	45,177	55,331	470,136	17.9
Unbleached Kraft Paper	177,342	93,702	23,267	11,314	22,753	11,264	228,409	33.2
Other Pkg. & Indust. Paper	222,070	433,418	21,484	43,490	22,424	44,067	241,726	6.3
Tissue	82,653	63,116	11,654	8,356	9,340	6,709	106,449	41.4
Paperboard, Total	1,080,375	441,508	94,780	38,004	95,100	42,558	1,200,037	16.9
Kraft Paperboard	217,945	81,638	13,090	5,626	20,176	9,335	245,642	23.6
Semi-Chemical Corrugating	267,438	65,898	25,563	6,879	23,764	6,787	327,838	36.7
Other Paperboard	594,992	293,972	56,128	25,499	51,160	26,436	626,556	6.6
Convtd Paper&Paperbd Products	499,972	1,283,698	60,315	133,077	56,135	129,816	638,045	38.3
Paper Products, Total	355,638	1,007,231	39,271	98,402	35,353	96,500	410,804	24.9
Paperboard Products, Total	144,334	276,467	21,045	34,675	20,782	33,316	227,241	71.6
Wet machine Board	924	842	39	36	70	69	899	-11.3
Construction Paper & Board E	139,278	46,857	14,219	4,913	13,122	5,073	145,704	7.6
Notes								
Other: No Weight Avail. ($000)		170,733		19,173		17,471	164,187	5.0
Total Imports Incl. Other($000)		10,584,154		920,142		950,141	10,547,362	3.6

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		June 1994		July 1994		Annual Rate YTD 1994	% Change from same Period
	Tons	$000	Tons	$000	Tons	$000	Tons (1)	Last Year
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	109,422	3,990	155,012	5,400	2,123,133	-12.0
Pulpwood Chips	5,248,132	423,288	392,918	32,811	488,505	36,701	5,312,769	3.7
Total All Exports	21,637,893	9,527,479	2,106,400	956,968	2,168,115	978,374	23,907,892	11.6
Wood Pulp,Total	6,499,065	2,369,414	558,938	223,380	620,424	260,906	6,661,571	1.4
Cotton Pulp and Other Pulp	124,656	83,505	9,376	7,618	6,597	5,365	101,673	-17.4
Waste and Old Paper	5,888,369	533,240	620,634	66,968	691,041	86,355	6,818,483	17.2
Paper, Board & Products,Total	9,125,803	6,541,320	917,452	659,001	850,053	625,748	10,326,165	15.9
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	776,858	433,254	726,766	422,737	8,692,256	18.2
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	914,604	657,540	846,799	624,344	10,302,212	16.0
Paper & Paperboard, Only	7,494,893	4,224,234	774,010	431,793	723,513	421,333	8,668,302	18.3
Paper, Total	2,586,993	2,066,927	266,307	209,179	282,214	218,980	3,021,878	19.7
Newsprint	1,019,146	496,060	80,680	38,741	89,858	46,002	1,040,734	14.2
Printing & Writing	1,120,439	980,400	137,413	111,322	148,669	115,270	1,469,144	26.0
Uncoated Groundwood	109,386	75,504	15,599	9,213	15,271	9,574	132,126	19.3
Clay Coated Paper	342,036	282,860	32,573	26,290	29,375	24,261	386,572	11.3
Uncoated Free Sheet	425,310	435,213	63,209	56,565	77,715	61,658	684,934	52.3
Other Printing & Writing	243,707	186,823	26,033	19,255	26,307	19,777	265,513	2.8
Total Pkg. & Other Paper	379,092	501,465	38,373	47,384	33,519	46,001	414,365	9.8
Unbleached Kraft	130,748	66,917	14,825	6,565	11,089	5,363	147,206	16.7
Other Pkg. & Indust. Paper	248,345	434,548	23,549	40,819	22,430	40,639	267,159	6.3
Tissue	68,315	89,002	9,841	11,731	10,167	11,707	97,635	40.8
Paperboard, Total	4,907,901	2,157,307	507,703	222,613	441,299	202,353	5,646,424	17.6
Solid Wood Pulp	4,645,501	2,000,622	482,464	208,873	417,680	188,553	5,371,239	18.8
Total Linerboard	2,995,058	931,801	308,742	97,929	259,796	86,615	3,480,274	20.2
Bleached Kraft Linerboard	14,552	10,840	369	226	273	157	4,024	-70.6
Unbleached Kraft Linerbd	2,980,506	920,961	308,373	97,703	259,523	86,458	3,476,251	20.6
Other Unbleached Kraft	505,984	255,357	46,732	25,310	40,684	21,523	528,214	-2.5
Other Bleached Kraft	1,025,864	776,502	119,218	82,913	107,284	77,618	1,231,848	24.9
Semi-Chemical Corrugating	118,595	36,964	7,773	2,721	9,917	2,797	130,903	34.8
Recycled Paperboard	262,399	156,685	25,239	13,740	23,618	13,800	275,185	-2.6
Convtd Paper&Paperbd Products	1,604,427	2,304,242	140,594	225,747	123,286	203,011	1,633,909	4.9
Paper Products, Total	750,263	1,469,052	62,213	139,654	56,886	128,145	740,553	8.8
Paperboard Products, Total	854,164	835,190	78,381	86,093	66,400	74,866	893,357	1.9
Wet Machine Board	596	400	0	0	14	14	445	-43.8
Construction Paper & Board E	25,886	12,445	2,848	1,461	3,239	1,389	23,509	-5.7
Notes								
Other: No Weight Avail. ($000)		86,234		8,378		9,080	87,144	2.3
Total Exports Incl. Other($000)		9,613,713		965,346		987,454	10,653,030	11.6

SOURCE: Bureau of Census. U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

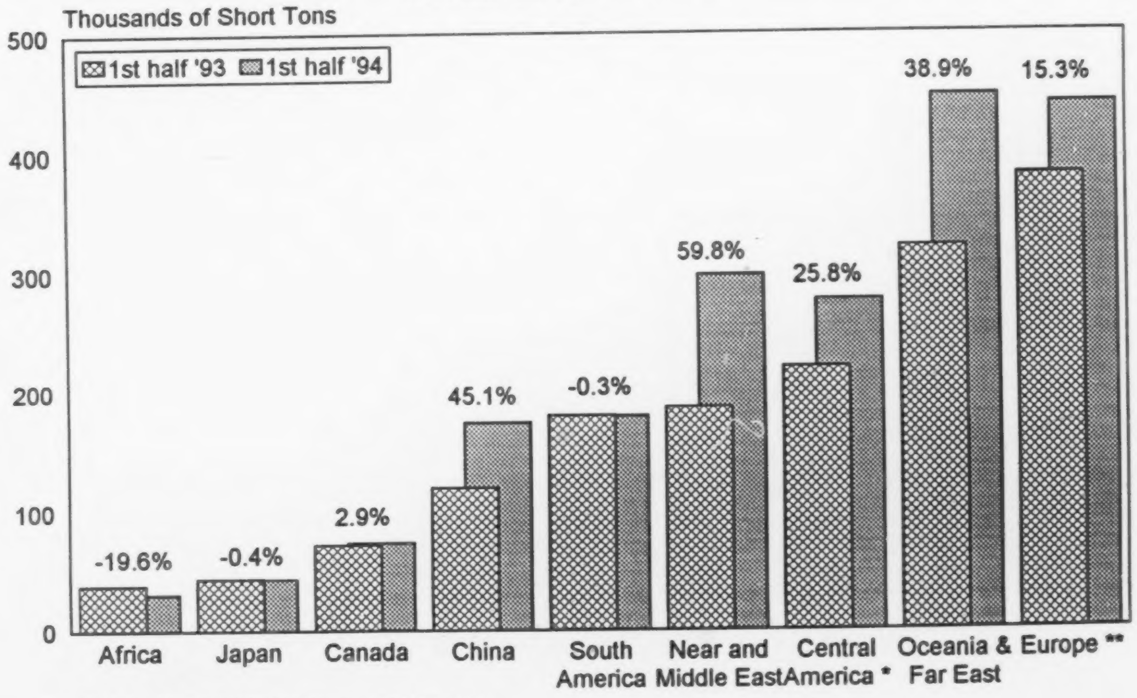
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR		MAY 1994	JUN 1994	JUL 1994	AUG 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
	1992	1993						
Pulp, Paper and Products except Building Grades	129.2	127.6	128.7	130.3	132.2	134.2	129.3	1.1
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	128.4	129.1	129.9	131.8	128.5	0.4
Total Wood Pulp	118.9	104.3	109.2	112.4	114.1	122.0	108.7	2.0
Total Paper	123.2	123.8	121.4	121.8	123.6	124.7	122.5	-0.9
Writing Paper, exc. Newsprint	120.2	120.5	116.2	116.6	118.6	119.6	118.0	-1.9
Newsprint	109.9	112.1	112.3	113.4	114.8	116.5	112.2	-0.4
Total Paperboard	134.3	130.0	134.7	134.0	137.8	142.7	134.3	3.1
Total Paper and Paperboard *	126.7	125.8	125.6	125.6	128.1	130.3	126.2	0.4
Converted Products	134.8	133.7	134.4	135.8	135.2	136.6	134.4	0.3
Waste Paper	117.4	117.7	148.0	198.1	270.1	273.8	173.3	42.2
All Commodities	117.2	118.9	119.9	120.4	120.6	121.2	120.0	0.9
Industrial Commodities	117.4	119.0	119.8	120.6	121.1	121.8	119.9	0.7

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AF&PA

Kraft Linerboard Exports by Destination

1st Half '93 vs 1st Half '94

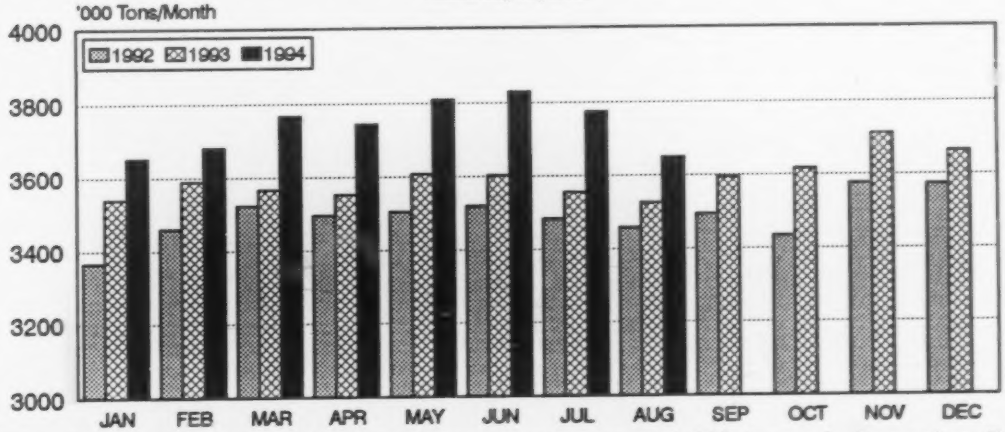


*Includes Mexico and the Caribbean. **Includes C.I.S.
Source: Bureau of the Census.

Kraft paper shipments have been benefitting from brisk growth in nondurable goods sales and across-the-board gains in demand for packaging materials. In particular, shipments of unbleached kraft papers posted a 1.2% advance through August, with all of the momentum coming from the grocer's bag and sack and multiwall sack categories. Shipments of bleached kraft papers firmed 1.9% in the same period. Polyethylene resin consumption in the production of carry-out bags has leveled off this year, following a substantial gain in 1993.

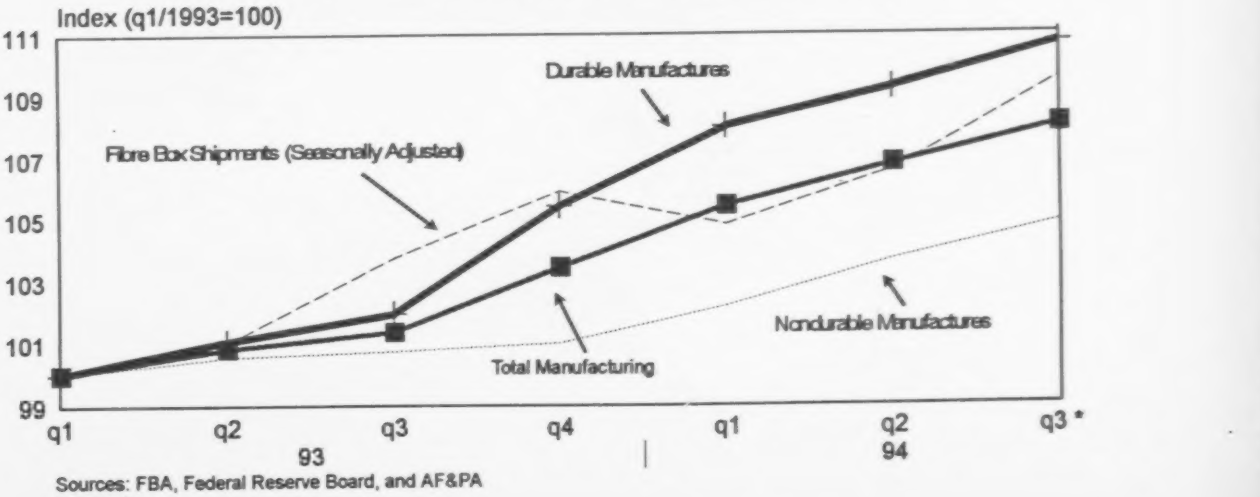
Paperboard: Seasonally-adjusted paperboard production rose 2.0% from July to August, and registered a brisk 5.5% year-to-date gain through the first eight months of 1994. The growth was paced fairly evenly by containerboard production, which was up 5.4% through August, and boxboard production, which was ahead by 5.8%. Paperboard production for export registered a brisk 13.9% increase.

TOTAL PAPERBOARD PRODUCTION
seasonally adjusted



Containerboard production for domestic use advanced 4.5% through August, reflecting the continuing expansion of U.S. manufacturing activity and the attendant growth of box demand. As is evidenced by the following graph, box shipments have increased in line with total manufacturing activity since early 1993, but have outperformed the non-durable goods sector which accounts for some 70% of box usage.

Fibre Box Shipments Relative To Industrial Production



Sources: FBA, Federal Reserve Board, and AF&PA
* Projection

Linerboard production for export lagged its year-ago volume by 1.2% in the July-August period but registered a 16.3% overall gain for the year so far. The increase was broadly based, according to U.S. Bureau of the Census data, with exports to Europe and Oceania-Far East (excluding Japan) up 15% and 39%, respectively, through the first half of 1994. Linerboard exports began their current expansionary phase in the fourth quarter of 1993, suggesting that year to date comparisons may narrow as the year progresses (See graph on page 10).

Boxboard production has been gaining increased ground relative to year ago levels. In the July-August period, for instance, production exceeded its year-ago volume by 9.6%. Year-to-date production of boxboard through August, by comparison, was up 5.8%.

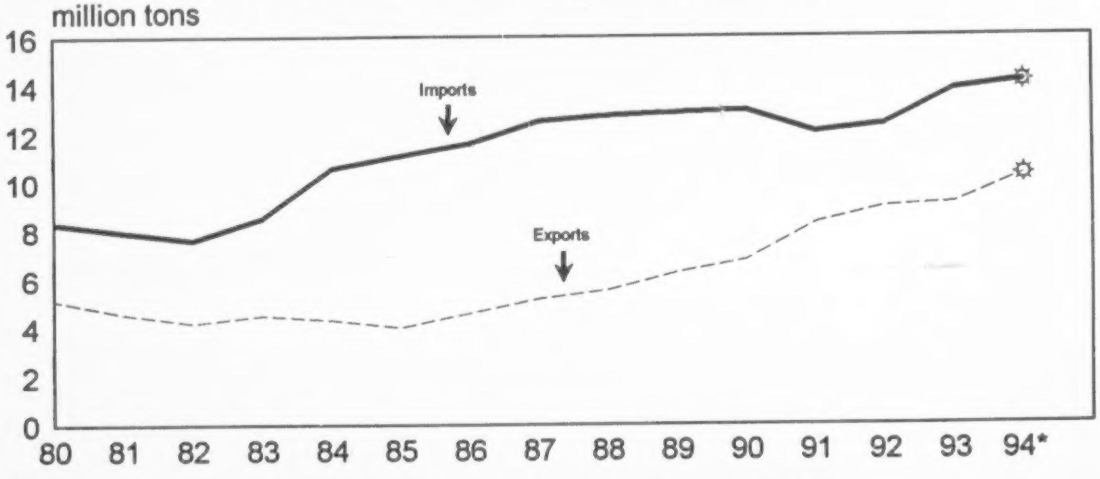
Boxboard production has also been benefiting from an improved international climate, with production for export up nearly 10% through August. Domestic demand for boxboard advanced a solid 3.8% through August. Grade-specific performances for the domestic category varied from an 8.1% increase in "other boxboard production," which includes gypsum wallboard facings and panelboard, to a 7.4% increase in milk carton and food service stock and a 3.2% gain in folding boxboard.

TRADE'S GROWING IMPORTANCE TO THE PAPER INDUSTRY

Trade has always been important to the U.S. paper industry but has become more so during recent years. In 1993, for instance, five major product categories -- market pulp, linerboard, printing-writing papers, bleached board, and newsprint -- logged exports exceeding one million tons, versus only two categories -- pulp and linerboard -- back in 1983.

Trade's expanded importance has been the result of increases in both imports and exports. In fact, imports and exports of paper, paperboard and converted products registered comparable tonnage gains between 1983 and 1993 -- 5.0 and 4.6 million tons, respectively. In relative terms, however, exports doubled while imports increased 56%.

U.S. Trade in Paper Products



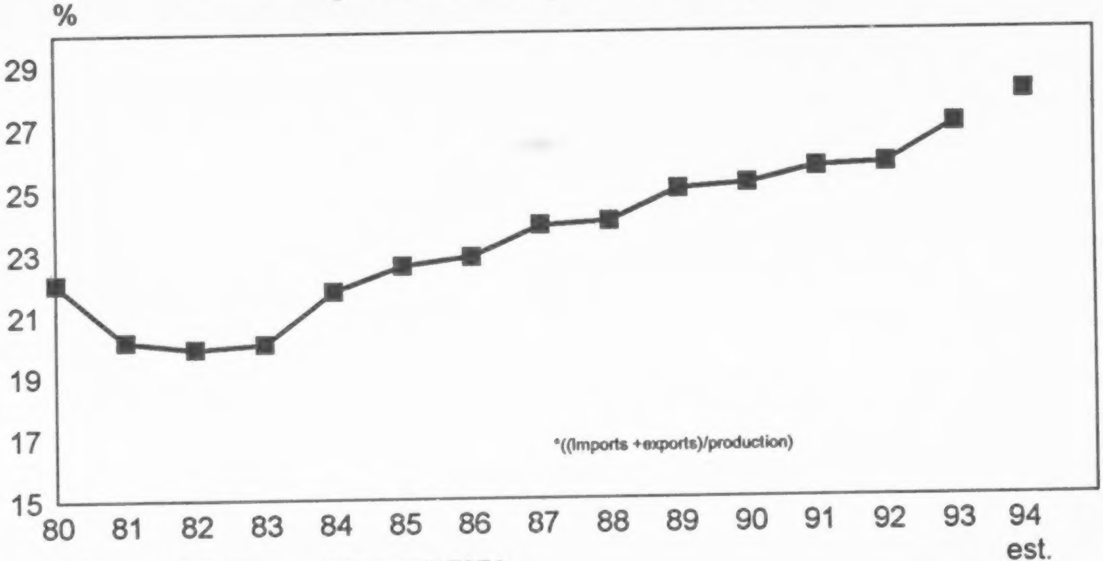
Source: U.S. Bureau of Census/AF&PA

* 1994 based on seven months of data

U.S. imports and exports of paper products continued to expand in 1994, with exports taking the lead following a sluggish 1.7% gain in 1993. Specifically, exports of paper, paperboard and converted products exceeded their year-ago volume by 15.9% through July of 1994, while imports advanced 3.5%.

An industry's trade exposure can be calculated as imports plus exports as a percent of production. On this basis, the U.S. paper industry's trade exposure rose from 20% in 1983 to 27% in 1993 -- an increase of 35%. Data through July indicate that the upward trend continued, with the paper industry's trade exposure rising to 28% during the first seven months of 1994.

U.S. Paper Industry Trade Exposure*



Source: U.S. Bureau of Census/AF&PA

The table on page 14 reports 1991 dollar shipments, imports, and exports of selected paper, paperboard and converted products based on data compiled by the Bureau of the Census. The tabulation is instructive because the import/export values are categorized in accordance with the Standard Industrial Code (SIC) system rather than the Harmonized System, thus facilitating comparisons with shipments, orders, employment, capital assets and numerous other government data series that are based on SIC codes.

Exports accounted for 7.7% of the dollar value of paper and paperboard shipments and 50.9% of the dollar value of market pulp shipments in 1991. Imports accounted for 13.0% of the dollar value of paper and paperboard new supply and 44.7% of market pulp new supply. (New supply is defined as shipments plus imports less exports.) These numbers further highlight the importance of trade to the paper industry.

For additional information, see "U.S. Commodity Exports and Imports as Related to Output: 1991 and 1990, U.S. Bureau of the Census, OEI/91, U.S. Government Printing Office, Washington, D.C., 1994.

Analysis of Export/Import Intensities by Industry Segment

(1991 data in millions of dollars)

SIC Code	Product	Shipments	Exports	Imports (cif)	New Supply	Imports/ New Supply	Exports/ Shipments
26	Paper & Allied Products	123,213	9,263	11,078	125,027	8.9%	7.5%
2611	Pulp Mill Products	5,741	2,920	2,279	5,100	44.7%	50.9%
2621;2631 2671; 26721,4; 26792	Paper & Paperboard products	52,650	4,056	7,280	55,874	13.0%	7.7%
26211	Newsprint	3,105	388	4,283	7,000	61.2%	12.5%
26212-8B 26311-4; 2671 26721,4; 26792	Paper & paperboard, n.e. including printing, converting packaging, industrial & other related paper & paperboard	42,987	3,596	2,931	42,322	6.9%	8.4%
26219	Special industrial paper	1,148	1	1	1,148	0.1%	0.1%
2621A	Tissue & other creped	5,294	71	66	5,289	1.2%	1.3%
2652	Set-up paperboard boxes	599	49	5	555	0.9%	8.2%
2653	Corrugated & Solid Fiber boxes	17,434	352	52	17,134	0.3%	2.0%
2655	Fiber cans, drums, & related materials	1,802	19	3	1,786	0.2%	1.1%
2658	Sanitary food containers	2,583	80	15	2,518	0.6%	3.1%
2657	Folding paperboard boxes	7,200	95	114	7,219	1.6%	1.3%
26722,3	Gummer & pressure-sensitive products	4,398	601	247	4,044	6.1%	13.7%
2673;267	Specialty bags & liners including grocers	5,852	188	347	6,011	5.8%	3.2%
26742	Shipping sacks & multiwall bags, except textiles	1,433	15	8	1,426	0.6%	1.0%
2675;267	Die-cut paper & board products & other misc. office supplies	4,087	187	215	4,115	5.2%	4.6%
2676	Sanitary paper products	14,756	508	129	14,377	0.9%	3.4%
2677	Envelopes	2,492	21	5	2,476	0.2%	0.8%
2678	Stationary, tablets, pads & related products	1,237	89	92	1,240	7.4%	7.2%
26791,4	Converted paper products	949	841	287	395	72.7%	88.6%

Source: U.S. Bureau of the Cencus

A1630-5

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 9
SEPTEMBER, 1994

	(P) AUGUST 1994	(R) JULY 1994	AUGUST 1993	EIGHT MONTHS		% CHANGE YR TO DATE 1994/1993
				1994	1993	
PAPER GRADES						
Newsprint	598	597	605	4,676	4,722	-1.0
Printing & Writing	2,288	2,110	2,042	16,622	16,102	3.2
Uncoated Groundwood (s)	164	161	157	1,263	1,178	7.2
Coated Groundwood (s)	404	384	355	2,931	2,938	-0.2
Coated Free Sheet (s)	416	354	360	2,728	2,608	4.6
Total Coated Paper (s)	820	739	715	5,659	5,546	2.0
Uncoated Free Sheet Paper (s)	1,162	1,078	1,041	8,610	8,308	3.6
Thin Paper (s)	13	11	11	97	111	-12.6
Cotton Fiber Paper (s)	14	12	13	106	106	-0.2
Bleached Bristols (s)	114	109	105	886	853	3.9
Tissue Paper	531	496	523	4,026	3,996	0.8
Total Pkg & Other Paper	393	366	390	3,110	3,063	1.5
Unbl. Kraft Paper (s)	192	183	186	1,532	1,514	1.2
Bl. Kraft Paper (s)	38	35	39	269	264	1.9
Specialty Pkg. Paper	58	51	55	429	426	0.8
Special Industrial Paper (s)	104	97	109	879	859	2.3
TOTAL PAPER	3,810	3,569	3,559	28,434	27,884	2.0
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,921	1,894	1,750	14,909	14,208	4.9
Unbleached Kraft Linerboard *	1,796	1,749	1,631	13,852	13,190	5.0
Other Unbl. Kraft Paperboard	124	145	120	1,057	1,018	3.8
Semichemical Paperboard	512	495	490	3,947	3,775	4.6
Bleached Paperboard	445	418	393	3,287	3,033	8.4
Recycled Paperboard	1,066	1,004	976	8,077	7,624	5.9
TOTAL PAPERBOARD	3,943	3,812	3,610	30,221	28,640	5.5
TOTAL PAPER & PAPERBOARD	7,753	7,381	7,169	58,654	56,524	3.8

(000 SHORT TONS)

U.S. MARKET PULP SHIPMENTS	AUG 1994	JUL 1994	AUG 1993	EIGHT MONTHS		%CHANGE YR TO DATE 1994/1993
				1994	1993	
Total	732	759	660	5,663	5,510	2.8%
Total Sulfate	714	739	648	5,535	5,384	2.8%
Bleached Sulfate	697	709	630	5,374	5,250	2.4%
Softwood	427	428	377	3,168	3,159	0.3%
Hardwood	270	281	253	2,206	2,091	5.5%
Unbleached	18	30	18	161	134	19.8%
Sulfite Blch & Unblch	17	19	13	128	126	1.1%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,463	5,445	5,257	42,419	41,478	2.3%
Recovered Paper	2,506	2,377	2,291	19,439	18,611	4.4%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA October 7, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD -- Tons (000)			JUN	JUL	AUG		
Total Production (AFPA)...........: excluding :........	82,958	84,957	7,454	7,381	7,753	87,981	3.8
Total Seasonally Adjusted.........: construction :........			7,527	7,304	7,500	87,816	3.7
Imports (including Products).......: and wet :.....E........	12,406	13,831	1,197	1,233	1,215	14,223	3.7
Exports (including Products).......: machine :.....E........	8,946	9,099	915	847	869	10,318	15.9
Apparent Consumption..............: grades :.....E........	86,418	89,689	7,809	7,690	7,845	91,721	2.5
Paper Production % Tonnage Capacity........	91.1	91.8	94.6	90.5	96.2	92.3	
Paperboard Production % Tonnage Capacity........	94.4	94.8	100.6	96.7	99.2	98.0	
PAPER, PAPERBOARD & PRODUCTS			JUN	JUL	AUG		
Imports.....:Including Construction and :.....E........	12,543	13,971	1,211	1,246	1,228	14,371	3.8
Exports.....: WMB Grades (excl. HPB) :.....E........	8,971	9,126	917	850	872	10,343	15.9
Market Wood Pulp Shipments - Tons (000)........	8,291	8,386	721	759	732	8,503	2.9
Wood Pulp Imports - Tons (000).....E	4,882	5,320	456	471	481	5,591	2.9
Wood Pulp Exports - Tons (000).....E	6,421	5,851	501	559	525	6,012	1.0
Raw Materials Consumption - Tons (000)							
Wood Pulp.............:consumption for:........	56,873	62,356	5,207	5,445	5,463	63,629	2.3
Recovered Paper.......:consluction & :........	25,336	27,995	2,456	2,377	2,506	29,158	4.4
Total.............: WMB grades :........	80,168	90,351	7,663	7,822	7,969	92,787	2.9
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	8,743	9,066	9,130	106,923	1.3
Employment (000)			JUN	JUL	AUG		
Paper and Allied Products..RS.......Total........	687.3	689.4	689.0	688.1	687.5	683.5	-1.0
Pulp, Paper and Board Mills..RS.....Total........	238.8	235.4	232.4	231.8	230.5	230.9	-2.5
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS........	13.07	13.41	13.68	13.82	13.79	13.7	2.7
Pulp, Paper Mills.......RS........	16.19	16.71	17.11	17.24	17.22	17.1	3.2
Paperboard Mills.......RS........	16.24	16.77	17.05	17.27	17.31	17.1	3.0
New Plant & Equip. Expenditures, Paper & Allied Prod.			IVQ '93	IQ '94	IIQ '94		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.31	10.45	10.01	10.35	10.67 y	1.3
Index of Output per Man-Hour (1987=100)			JUN	JUL	AUG		
:in Pulp, Paper:...Production Workers........	113.2	117.5	125.2	121.3	126.2	122.6	5.0
:and Board Mills:...All Employees........	112.9	117.2	125.9	122.0	126.8	123.1	5.8
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	11,209	11,347	11,706	133,023	2.8
Pulp, Paper and Paperboard*	53,442	52,111	4,411	4,480	4,672	52,515	0.4
Inventories (End of Period) - Total Industry*	13,387	13,487	13,483	13,538	13,582	13,582	-1.0
Pulp, Paper and Paperboard*	5,535	5,783	5,707	5,664	5,628	5,628	-2.8
Paper & Allied Products Companies (Million $)			IIIQ '93	IVQ '93	IQ '94		
Sales (Corporations Only)........	127,562	131,232	33,148	33,029	32,896	131,584	3.2
Earnings (Corporations Only)........	1,213	(201)	(1,746)	4	701	2,804	-3.4
Depreciation (Corporations Only)........	6,974	7,345	1,840	1,837	1,896	7,584	5.3
Net Worth (Corporations Only)........	47,520	47,897	45,967	44,689	45,842	45,842	-4.3
Price Indexes (Bureau of Labor Statistics) 1982=100			JUN	JUL	AUG		
Pulp, Paper & Products, ex. Building Grades........	129.4	127.6	130.3	132.2	134.2	129.3	1.1
Wood Pulp........	118.9	104.3	112.4	114.1	122.0	108.7	2.0
Waste Paper........	117.4	117.7	198.1	270.1	273.8	173.3	42.2
Paper........	123.2	123.8	121.8	123.6	124.7	122.5	-0.9
Paperboard........	134.3	130.0	134.0	137.8	142.7	134.3	3.1
Paper Demand (Indexed: 1987=100)			JUN	JUL	AUG		
Total Paper Production *........	110.8	112.9	120.2	114.8	118.6	115.6	1.9
Paper New Supply *........	102.5	106.5	111.7	108.1	110.9	108.0	1.0
Demand Indicators - (Weighted Average) *........	101.0	105.6	109.4	109.1	109.6	108.4	2.8
Production of Nondurable Goods..RS........*....(21.2%)........	106.6	[illegible]	113.3	113.5	113.8	112.1	3.2
Disposable Income........*....(23.9%)........	110.9	112.6	116.2	116.3	116.7	115.7	3.2
Total Printing and Publishing..RS........*....(54.9%)........	99.1	101.4	105.0	104.3	105.0	103.8	2.4
Paperboard Demand (Indexed: 1987=100)			JUN	JUL	AUG		
Total Paperboard Production *........	111.9	115.2	122.7	120.9	123.4	120.6	5.5
Production for Domestic Use .....E........	109.6	113.5	119.7	119.6	122.2	118.1	4.6
Demand Indicators - (Weighted Average) *........	106.5	110.4	115.7	116.1	116.9	114.9	4.5
Production of Consumer Goods..RS........*....(62.06%)........	105.9	108.8	112.9	113.3	114.1	112.2	3.4
Production of Equipment..RS........*....(5.75%)........	111.3	118.6	127.2	128.4	130.1	126.7	8.0
Production of Materials..RS........*....(32.19%)........	107.8	112.0	119.1	119.2	119.9	118.1	6.2
Market Data			JUN	JUL	AUG		
Newsprint Demand (SAAR) - Tons (000)...R.....E........	12,620	12,742	12,710	13,051	13,404	12,705	-1.5
Newspaper Pub. and Printing Empl. Total(000)........	451	451	454	453	454	451	0.2
Magazine Advertising Pages (PIB, Inc.)	170,303	171,262	14,908	11,077	11,866	164,807	3.6
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts..ex Wallpaper..Sales........	54,172	58,847	5,409	5,098	5,961	62,803	9.3
Inventories (End of Period)........	5,569	6,181	6,414	6,704	6,642	6,642	14.4
Fibre Box Data (Fibre Box Association)			JUN	JUL	AUG		
Fibre Box Shipments (Million square feet)........	335,696	353,755	31,565	31,311	33,452	370,809	5.6
Container'bd Inventory at Mill & Plant (000 Tons)........	2,918	2,501	2,337	2,350	2,271	2,271	-16.3
Retail Trade (Billion $)							
Total Retail Sales *........	1,959	2,060	185	186	187	2,204	7.4
Nondurable Goods Stores Sales *........	1,252	1,296	112	113	113	1,339	4.0
General Economic Data			JUN	JUL	AUG		
Total Industrial Production (Index 1987 = 100)*........	106.5	111.0	117.3	117.7	118.5	116.5	5.8
Producer Prices (All Commodities, Index: 1982=100)........	117.2	118.9	120.4	120.6	121.2	120.0	0.9
Consumer Prices (All Items-Urban Con.) (1982-4=100)........	140.3	141.9	148.0	148.4	149.0	147.6	5.3
Gross Domestic Product - Annual Rate (Billion$) *			IVQ '93	IQ '94	IIQ '94		
G.D.P. or Expenditure - Current $........	6,020.2	6,343.3	6,478.1	6,574.7	6,686.5	6,630.1	4.5
G.D.P. or Expenditure - 1987 $........	4,979.3	5,134.5	5,218.0	5,261.1	5,310.2	5,285.7	2.9
Paper & Paperboard Consumption - Pounds per Capita	677	694				703	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.

A1630-5

Paper, Paperboard & Wood Pulp

A Monthly Statistical Summary from the American Forest & Paper Association

October 1994 **Vol. 72 No. 10**

Highlights

- Paper and paperboard production (seasonally adjusted) edged fractionally above its June 1994 peak to reach a new monthly high of 7.57 million tons in September. Production during this year's third quarter was up 6.9% relative to year ago, reflecting both continued firming in the 1994 numbers and a weakening pattern during July-September 1993. Paper and paperboard production posted a 2.9% advance during the first six months of 1994, but the third quarter's stellar performance lifted year-to-date growth through September to 4.2%.

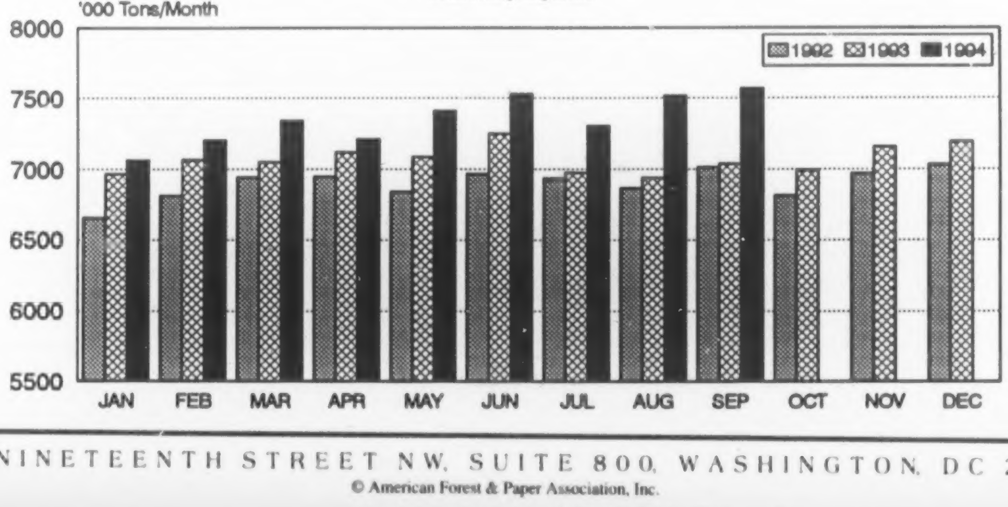
- North American newsprint exports to overseas destinations were up 9.0% through the first eight months of this year, with all of the advance accounted for by Canada. U.S. newsprint exports through September have been trailing year-ago levels.

- Containerboard and boxboard production have turned in equal gains of 5.8% through the first nine months of 1994. Both product categories are experiencing strong domestic demand and export gains.

- The paper industry's profits picture continued to improve. Data for twenty-nine publicly traded firms showed third quarter earning up 4.7% from the year ago period.

- U.S. linerboard exports have been extremely volatile from year to year but grew at an average annual rate of 2.9% from 1983 to 1993. Linerboard export patterns, with a particular focus on 1993, are detailed later in this report.

TOTAL PAPER & PAPERBOARD PRODUCTION
seasonally adjusted



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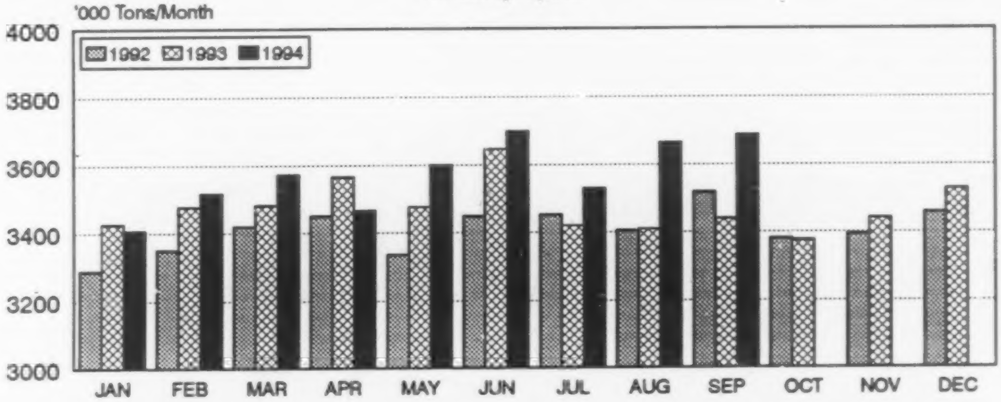
Paper: Paper production exceeded its year-ago level by 6.0% in the third quarter, as compared with only 0.9% during the first six months of 1994. For the year thus far, the advance works out to 2.6%. The third quarter pickup reflected near record levels of production in August and September in combination with a weakening in production during the third quarter of 1993. Most of this year's paper production growth originated in the printing-writing and packaging paper categories.

TOTAL PAPER PRODUCTION
seasonally adjusted



North American newsprint shipments turned in a strong performance in the July-September quarter, with volumes up 4.3% versus year-ago. However, cumulative year-to-date shipments of newsprint from North American mills were up a more moderate 1.6% through September, reflecting a lagging performance during the first two months of 1994 followed by only marginal overages versus year-ago in the March-May period.

North American newsprint shipments to the U.S. market exceeded year ago volumes by 8.2% in the third quarter, but were flat on a cumulative basis through the first nine months of 1994. Exports of newsprint to overseas markets have been a key driving force behind North American newsprint shipments this year. Although exports from the U.S. were off 7.6% versus the first nine months of 1993, Canadian shipments to overseas destinations surged 14.8% and total North American exports advanced 9.0%.

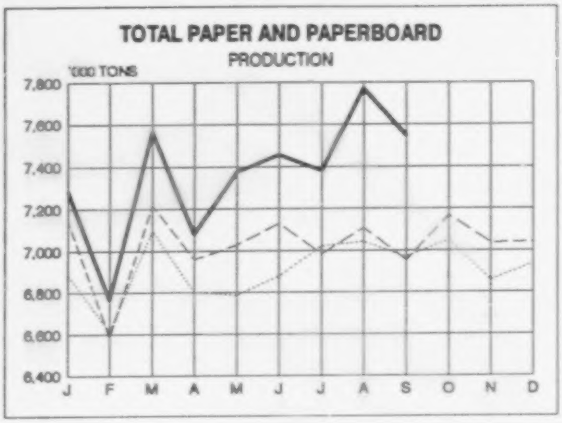
The performance of printing-writing paper shipments has improved markedly during recent months (see graph on page 11). Whereas these shipments exceeded their year-ago volume by only 1.4% through the first six months of 1994, they were up 4.1% through September, reflecting a 9.4% advance relative to year-ago levels in the third quarter. Other signs of firming demand for printing-writing papers include a growing backlog of unfilled orders and a 21% decline in mill inventories since February.

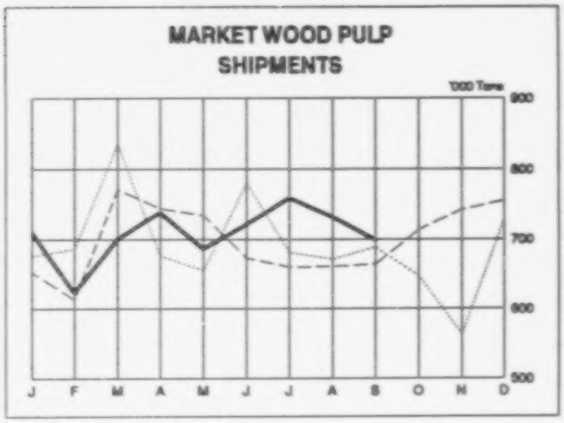
The strongest performance within the printing-writing paper grade structure was recorded by uncoated groudwood paper, which posted an 8.0% increase in shipments versus year ago through September and a 5.8% gain in new supply (domestic shipments plus imports less exports). Imports accounted for some 60% of U.S. apparent consumption of uncoated groundwood in 1993, with the preponderance of

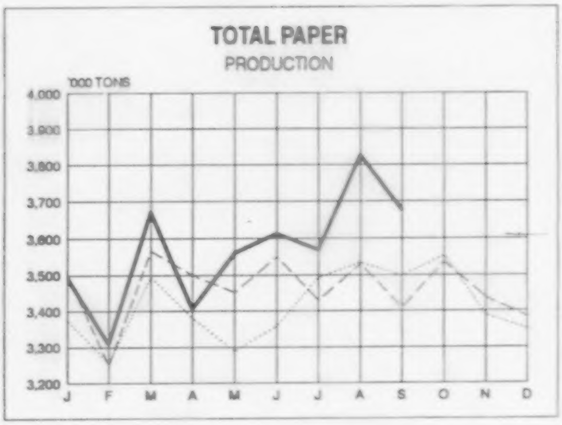
PAPER AND PAPERBOARD STATISTICS PRODUCTION, SHIPMENTS AND ORDERS (Thousands of Tons)	YEAR		JUNE 1994	JULY 1994	AUG (R) 1994	SEP (P) 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
	1992	1993						
PAPER								
Newsprint - Production	7,082	7,067	550	597	598	561	6,982	-1.1
- Shipments	7,125	7,043	568	594	598	564	7,011	0.0
Printing & Writing: Total Shipments	23,394	24,062	2,163	2,110	2,288	2,207	25,105	4.1
Groundwood Paper - Shipments	1,609	1,799	147	161	164	175	1,918	8.0
- New Orders	1,655	1,883	153	187	163	200	2,038	8.7
- Unshipped Orders	164	224	174	199	197	223	223	-3.5
Coated Groundwood - Shipments	4,364	4,340	401	384	404	389	4,426	1.0
Coated Free Sheet - Shipments	3,755	3,937	352	354	416	406	4,179	6.4
Total Coated Papers - Shipments	8,119	8,276	753	739	820	795	8,605	3.6
- New Orders	8,151	8,377	815	826	988	874	9,397	11.5
- Unshipped Orders	903	771	939	1,026	1,212	1,300	1,300	72.0
Unctd Free Sheet - Shipments	12,170	12,355	1,122	1,078	1,162	1,093	12,938	4.1
- New Orders	12,293	12,500	1,147	1,021	1,197	1,183	13,277	4.7
- Unshipped Orders	720	883	891	853	895	1,065	1,065	15.9
Thin Papers - Shipments	175	169	10	11	13	10	143	-15.3
Cotton Fiber Paper - Shipments	159	160	13	12	14	14	161	-0.1
Bleached Bristols - Shipments	1,163	1,303	118	109	114	119	1,341	4.4
Tissue Paper - Production	5,784	6,008	497	496	531	512	6,051	1.4
Total Packaging & Other Paper	4,713	4,608	405	366	409	397	4,696	2.1
Unbl. Kraft Paper - Shipments	2,380	2,259	201	183	192	193	2,300	1.5
Bl. Kraft Paper - Shipments	403	400	32	35	38	33	403	1.1
Specialty Pkg. Paper - Production	687	644	56	51	60	55	648	1.2
Special Industrial Paper - Production	1,244	1,304	116	97	118	116	1,345	3.9
TOTAL PAPER PRODUCTION - UNADJ	40,973	41,745	3,614	3,569	3,826	3,676	42,834	2.6
TOTAL PAPER PRODUCTION - SEAS ADJ			3,699	3,530	3,665	3,687	42,856	2.6
PAPERBOARD - PRODUCTION								
Containerboard	29,374	29,821	2,628	2,630	2,693	2,682	31,341	5.8
Cont'bd For Dom Use for Fibre Boxes	25,763	26,409	2,308	2,345	2,423	2,419	27,643	5.1
Total Linerboard	17,785	18,235	1,583	1,628	1,678	1,679	18,999	4.5
Unbleached Kraft	16,850	16,732	1,442	1,487	1,538	1,522	17,317	3.9
Solid Bleached	150	158	15	14	14	14	160	2.7
Recycled	784	1,346	127	126	125	143	1,521	11.8
Corrugating Medium	7,978	8,173	725	718	746	740	8,644	6.3
Semichemical	5,582	5,507	484	481	500	491	5,766	5.2
Recycled	2,396	2,666	241	237	246	249	2,878	8.5
Other Containerboard for Dom Use	345	309	26	28	21	24	290	-9.3
Containerboard for Export	3,267	3,103	294	257	249	240	3,409	13.9
Boxboard	12,611	13,392	1,212	1,182	1,250	1,187	14,112	5.8
Boxboard for Packaging for Dom Use	7,338	7,768	692	684	717	698	8,101	4.2
Folding Boxboard	5,519	5,863	522	520	549	540	6,106	4.0
Solid Bleached	1,757	1,828	178	171	192	177	1,984	9.4
Unbleached Kraft	1,143	1,197	116	117	104	115	1,305	7.6
Recycled *	2,620	2,838	228	232	253	248	2,817	-0.9
Set-up Boxboard for Dom Use	283	323	26	22	26	24	309	-2.9
Milk Carton & Food Service Dom Use	1,536	1,583	144	142	142	133	1,686	6.1
Other Boxboard for Domestic Use	4,153	4,479	403	394	421	385	4,769	7.3
Boxboard for Export	1,119	1,145	117	103	112	105	1,242	10.9
Paperboard Production by Furnish	41,985	43,213	3,840	3,812	3,943	3,869	45,453	5.8
Unbleached Kraft	21,658	21,447	1,892	1,894	1,921	1,919	22,438	5.4
Semichemical	5,762	5,672	498	495	512	497	5,926	4.8
Solid Bleached Kraft	4,503	4,583	436	418	445	421	4,945	8.6
Recycled	10,063	11,510	1,014	1,004	1,066	1,032	12,145	5.8
Paperboard Production for Export	4,386	4,249	411	360	361	345	4,651	13.0
Unbleached Kraft	3,320	3,209	308	262	258	258	3,526	14.1
Semichemical	180	165	14	15	12	6	160	-7.0
Bleached Kraft	812	795	77	72	78	73	852	10.3
Recycled	74	79	12	12	13	8	114	42.9
TOTAL PAPERBOARD PRODUCTION - UNAD	41,985	43,213	3,840	3,812	3,943	3,869	45,453	5.8
TOTAL PAPERBOARD PROD - SEAS ADJ			3,829	3,774	3,850	3,881	45,314	5.8
PAPER AND PAPERBOARD - UNADJ	82,958	84,957	7,454	7,380	7,769	7,545	88,287	4.2
PAPER AND PAPERBOARD - SEAS ADJ			7,527	7,304	7,515	7,568	88,170	4.2

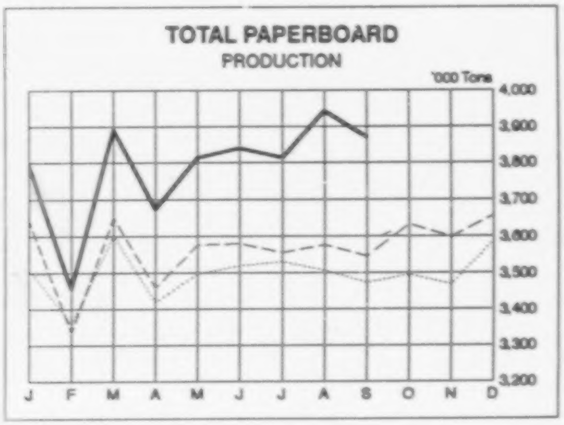
R - Revised P - Preliminary Seas. Adj. - Seasonally Adjusted Unadj - Not Seasonally Adjusted

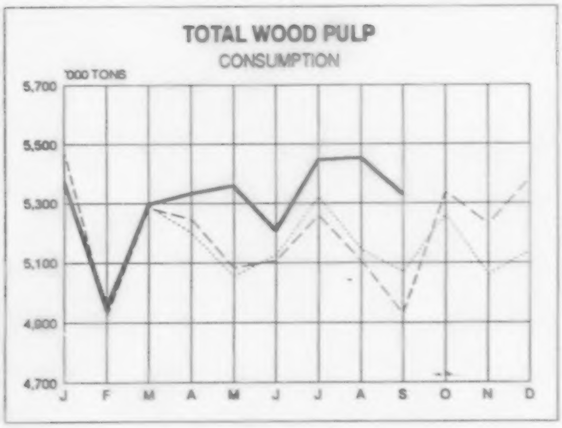
* Container Chip and Filler reclassified into Recycled Corrugating Medium

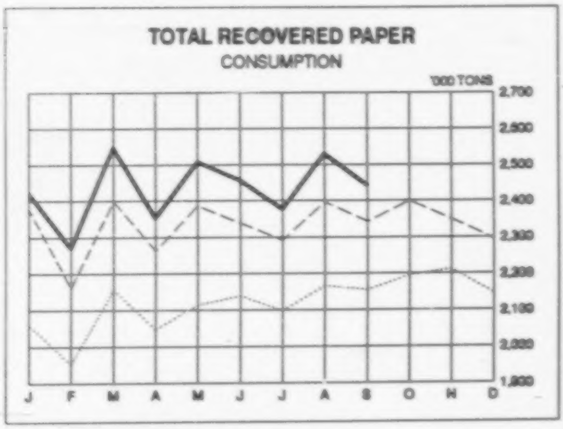

TOTAL PAPER AND PAPERBOARD
PRODUCTION


MARKET WOOD PULP
SHIPMENTS


TOTAL PAPER
PRODUCTION


TOTAL PAPERBOARD
PRODUCTION


TOTAL WOOD PULP
CONSUMPTION


TOTAL RECOVERED PAPER
CONSUMPTION

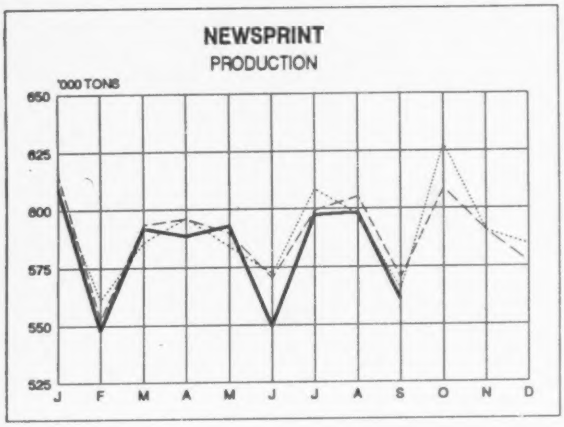
1992 .... 1993 ------ 1994 ——

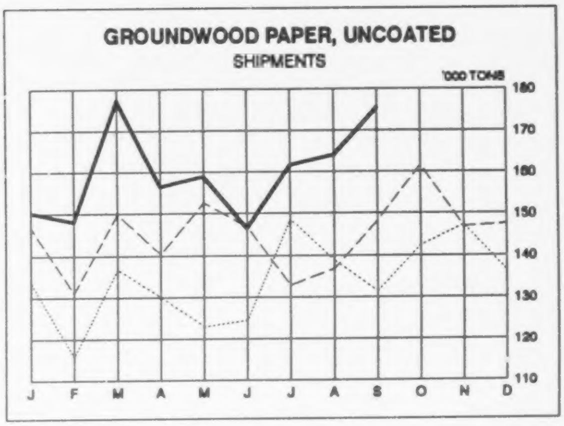
WOOD PULP STATISTICS (Thousands of Tons)		YEAR		JUN	JUL	(R) AUG	(P) SEP	Annual Rate Y-T-D	% Change From Same Period Last Year
		1992	1993	1994	1994	1994	1994	1994	
TOTAL WOOD PULP									
Total Wood Pulp	Production	63,960	62,908	5,265	5,545	5,490	5,309	63,964	2.3%
(Paper Grades)	Imports	4,882	5,320	456	471	473	467	5,581	3.9%
	Exports	6,421	5,850	501	559	558	539	6,108	3.6%
	New Supply	62,421	62,377	5,220	5,457	5,405	5,236	63,437	2.6%
Paper Grades	Production	53,358	52,738	4,488	4,706	4,638	4,478	54,044	3.4%
Chemical Pulp	Imports	4,570	4,889	418	426	434	426	5,117	3.9%
	Exports	6,321	5,747	490	548	555	531	6,020	4.1%
	New Supply	51,607	51,880	4,416	4,584	4,516	4,373	53,141	3.3%
Groundwood and	Production	6,501	6,158	437	479	493	481	5,821	-6.1%
Thermo-Mech.	Imports	312	431	38	45	39	41	463	4.1%
	Exports	100	104	11	11	3	8	87	-25.6%
	New Supply	6,713	6,485	464	514	529	514	6,197	-5.0%
Semi-Chemical	Production	4,101	4,012	340	360	359	349	4,099	1.9%
	Imports								
	Exports								
	New Supply	4,101	4,012	340	360	359	349	4,099	1.9%
MARKET WOOD PULP									
Paper Grades	Production	8,670	8,117	697	753	729	645	8,322	1.2%
Chemical Pulp	Imports	2,946	3,132	286	275	297	283	3,416	10.6%
	Exports	5,906	5,571	489	522	477	446	5,586	3.2%
	New Supply	5,709	5,678	494	506	549	481	6,152	4.4%

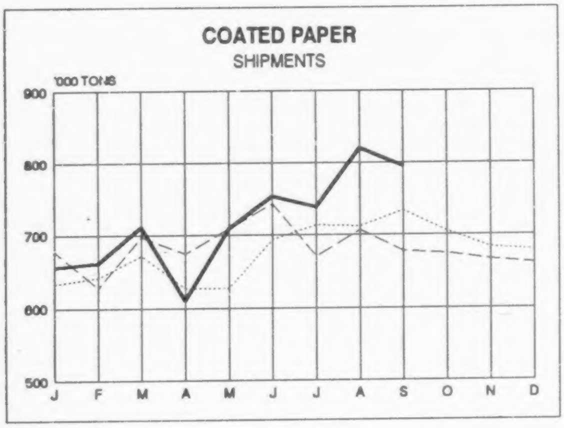
Sources: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, AF&PA. Total Wood Pulp Imports & Exports - Department of Commerce.

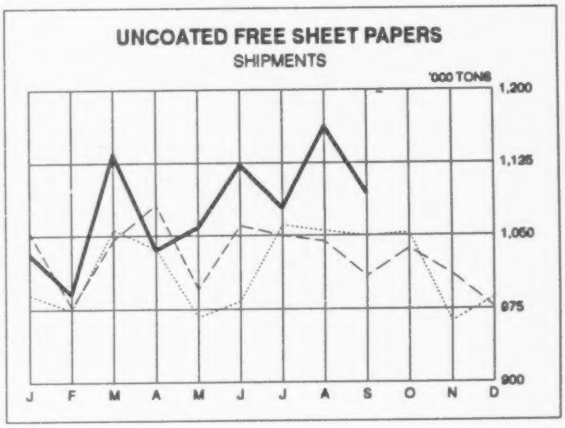
FIBROUS RAW MATERIALS (Thousands of tons)	YEAR		JUN	JUL	(R) AUG	(P) AUG	Annual Rate Y-T-D	% Change From Same Period Last Year
	1992	1993	1994	1994	1994	1994	1994	
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	87,451	90,351	7,663	7,822	7,983	7,771	92,784	3.3%
Total Wood Pulp	62,011	62,356	5,207	5,445	5,453	5,329	63,577	2.7%
Recovered Paper	25,440	27,995	2,456	2,377	2,530	2,442	29,207	4.5%
INVENTORIES **								
Chemical Paper Grade Market Pulp								
Producers' Own-Use Inventories	228	195	166	167	155	158	158	-27.9%
Producers' Market Inventories	710	614	550	544	541	488	488	-44.2%
Consumers' Purchased Inventories *	374	382	391	389	396	N/A	N/A	N/A
Recovered Paper at Paper & Bd. Mills	1,148	1,097	927	900	971	1,030	1030	-5.2%
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp **	41	26	24	23	23	21	21	-48.8%

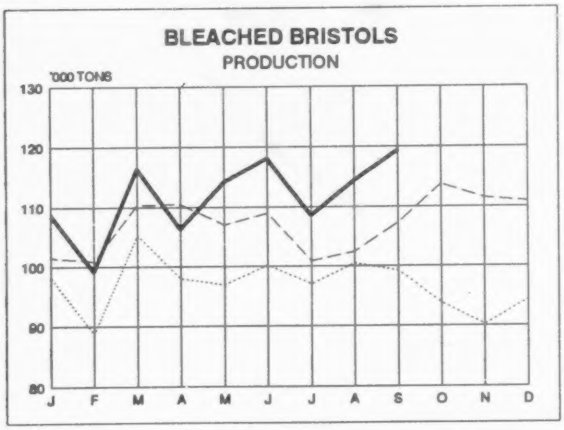
Sources: Wood Pulp Data: Pulp Division, Pulp, Materials and Technology Group, AF&PA. N/A - Not Available.
Recovered Paper Data: Paper Recycling Committee, AF&PA. * Includes all grades of wood pulp
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons. ** - End of period.

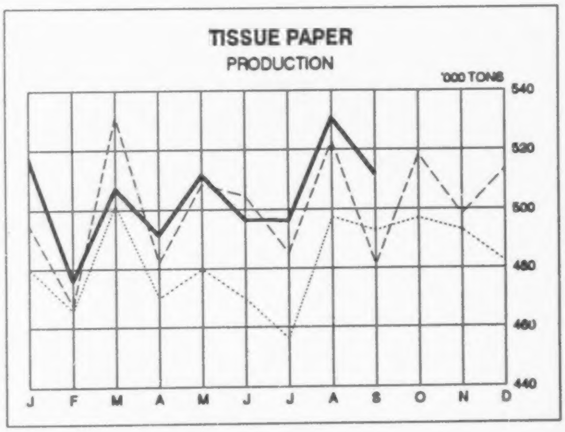

NEWSPRINT
PRODUCTION


GROUNDWOOD PAPER, UNCOATED
SHIPMENTS


COATED PAPER
SHIPMENTS


UNCOATED FREE SHEET PAPERS
SHIPMENTS


BLEACHED BRISTOLS
PRODUCTION


TISSUE PAPER
PRODUCTION

1992 .... 1993 ------ 1994 ——

FIBROUS RAW MATERIALS Thousands of Standard (128 cubic foot) Cords	YEAR		Jun 1994	Jul 1994	Aug 1994	Sep 1994	Annual Rate Y-T-D 1994	% Change From Same Period Last Year
	1992	1993						
PULPWOOD								
Total U.S. - Total Receipts	103,891	106,082	8,821	8,805	9,267	8,879	106,683	0.9
- Total Consumpt	104,598	105,275	8,743	9,066	9,130	8,579	106,481	1.2
- Residues *	39,784	43,134	3,601	3,633	3,806	3,637	43,756	1.5
- Inventories	5,314	5,989	5,561	5,234	5,446	5,609	5,609	-1.3
So. Atlantic - Total Receipts	33,704	34,958	2,881	2,871	2,962	2,900	34,628	-0.9
- Total Consumpt	34,015	34,693	2,835	2,947	2,924	2,850	34,751	0.1
- Residues *	13,173	14,916	1,237	1,274	1,293	1,240	15,029	1.2
- Inventories	1,199	1,503	1,360	1,287	1,335	1,333	1,333	-8.6
Northeast - Total Receipts	7,511	7,791	601	657	679	656	7,884	0.7
- Total Consumpt	7,341	7,751	596	662	675	651	7,768	-0.4
- Residues *	1,800	1,782	159	145	175	143	1,865	2.8
- Inventories	347	330	329	322	310	309	309	-7.2
South Central - Total Receipts	42,665	44,542	3,790	3,729	4,004	3,764	45,517	3.2
- Total Consumpt	42,956	44,039	3,797	3,854	3,904	3,523	45,179	2.9
- Residues *	15,544	17,596	1,538	1,489	1,530	1,493	18,041	2.5
- Inventories	1,736	2,128	1,845	1,670	1,854	2,012	2,012	7.9
North Central - Total Receipts	7,310	7,419	657	630	667	633	7,747	5.2
- Total Consumpt	7,339	7,508	633	598	646	638	7,669	3.0
- Residues *	1,139	1,118	103	96	107	97	1,161	10.0
- Inventories	813	721	772	787	805	803	803	8.4
West - Total Receipts	12,701	11,372	892	918	955	926	10,907	-5.1
- Total Consumpt	12,947	11,284	882	1,005	981	917	11,115	-2.5
- Residues *	8,128	7,722	564	629	701	664	7,659	-1.6
- Inventories	1,219	1,307	1,255	1,168	1,142	1,152	1,152	-10.4

* - Consumption of Residues in Cord Equivalents.

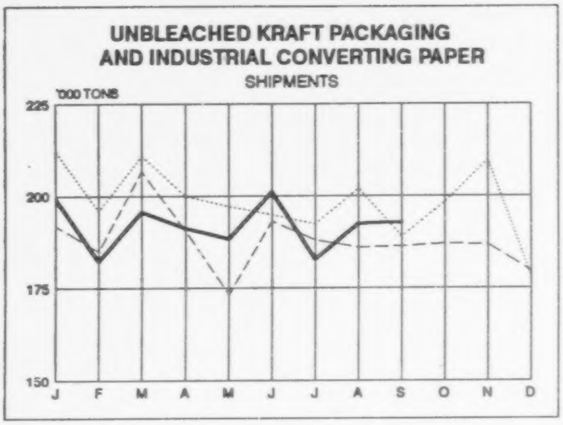
SOURCE: American Pulpwood Association

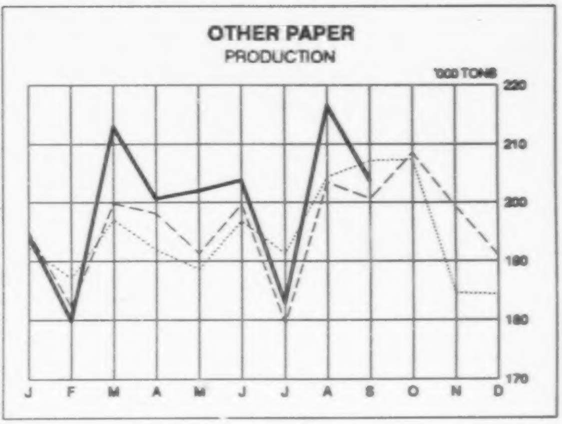
UNITED STATES TRADE WITH CANADA	IMPORTS FROM CANADA						Annual Rate Y-T-D 1994 Tons	% Change From same Period Last Year
	YEAR 1993		July 1994		August 1994			
	Tons	($000's)	Tons	($000)	Tons	($000)		
Pulpwood, Roundwood (in cubic meters)	0	0	0	0	0	0	0	N.M
Pulpwood chips	360,080	16,098	17,365	704	28,446	1,141	136,462	-63.6
Wood Pulp, Total	4,662,246	1,608,657	435,997	169,632	411,426	176,438	4,926,576	2.1
Waste Fibrous Materials, Total	127,838	19,399	19,781	2,592	18,597	2,862	214,550	66.5
Paper, Board & Products, Total	11,548,456	5,681,810	1,034,683	528,053	1,115,538	586,351	12,106,856	4.4
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	11,291,873	5,128,081	1,005,024	469,385	1,080,090	519,397	11,762,135	3.6
Paper, Paperboard & Products	11,427,296	5,653,489	1,023,573	524,898	1,104,176	583,095	11,978,553	4.3
Paper & Paperboard, Only	11,170,712	5,129,264	993,914	466,230	1,068,728	516,141	11,633,832	3.6
Paper, Total	10,249,618	5,221,372	915,590	433,880	972,296	475,972	10,594,810	2.4
Newsprint	7,630,129	3,546,762	652,512	272,674	693,319	299,781	7,601,877	-2.3
Printing, Writing & Rel. Pap.	2,280,553	1,391,779	227,578	134,740	241,447	146,739	2,591,264	16.5
Pack. & Ind. Conv. Paper	204,576	125,317	23,000	13,275	22,697	13,710	243,998	19.2
Special Industrial Paper	60,409	101,041	5,537	8,178	6,589	9,850	66,101	6.0
Tissue Paper	73,952	56,474	6,963	5,013	8,243	5,892	91,569	24.1
Paperboard, Total	921,094	343,269	78,325	32,350	96,433	40,169	1,039,022	16.8
Convtd Paper&Paperbd Products	256,584	556,374	29,658	58,668	35,448	66,954	344,721	40.4
Wet Machine Board	800	749	63	64	88	84	873	1.1
Construction Paper & Board	120,361	30,217	11,047	3,092	11,274	3,173	127,431	7.6

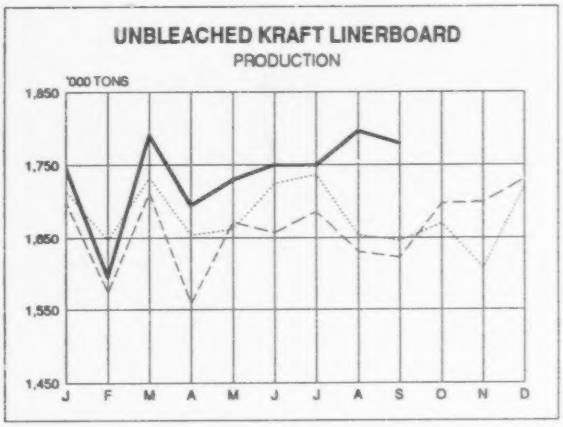
	EXPORTS TO CANADA							
Pulpwood, Roundwood (in cubic meters)	2,263,963	69,592	151,306	5,344	206,814	7,957	2,120,748	-7.6
Pulpwood chips	363,398	18,332	69,452	3,047	94,687	4,300	786,331	147.8
Wood Pulp, Total	313,005	133,450	26,041	10,626	24,237	10,714	322,925	-1.9
Cotton Pulp & Other Pulp	5,710	3,341	196	152	352	252	4,152	-38.9
Waste Paper	1,182,448	142,952	135,841	18,707	173,031	23,406	1,498,449	25.5
Paper, Board & Products, Total	1,710,071	1,658,778	148,638	149,334	174,940	175,189	1,821,743	7.0
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	1,231,876	904,732	107,884	82,639	128,506	99,004	1,315,544	7.1
Paper, Paperboard & Products	1,704,072	1,656,494	146,847	148,673	173,427	174,612	1,811,874	6.8
Paper & Paperboard, Only	1,225,877	928,862	106,094	81,978	126,992	98,426	1,305,675	6.9
Paper, Total	671,502	687,704	59,580	58,295	70,579	69,323	717,201	4.9
Newsprint	14,376	6,997	870	464	1,310	665	10,167	-44.6
Printing, Writing & Rel. Pap.	480,105	-470,309	44,035	39,837	49,778	46,507	523,717	7.1
Pack. & Ind. Conv. Paper	56,540	42,700	3,225	2,459	5,842	4,221	52,159	-8.0
Special Industrial Paper	85,450	133,523	7,714	12,082	9,193	14,067	86,564	0.1
Tissue Paper	35,031	34,175	3,736	3,452	4,456	3,863	44,594	27.9
Paperboard, Total	554,375	299,348	46,514	23,683	56,413	29,103	588,474	9.4
Convtd Paper&Paperbd Products	478,195	754,164	40,754	66,696	46,435	76,185	506,199	6.7
Wet Machine Board	0	0	0	0	0	0	0	N.M
Construction Paper & Board	5,999	2,402	1,790	661	1,514	577	9,869	51.8

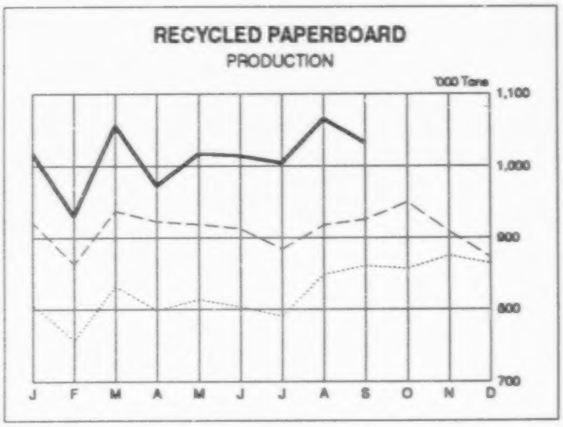
SOURCE: Bureau of Census, Department of Commerce.

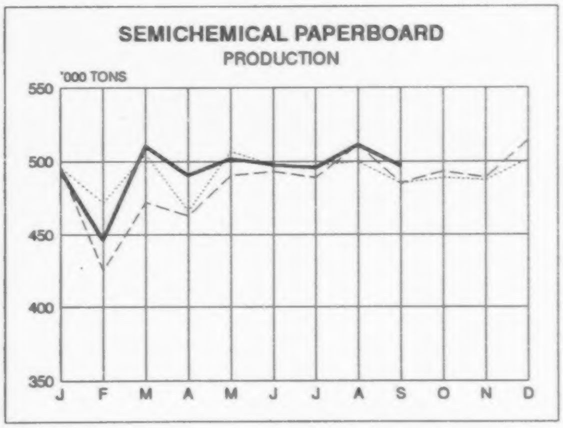
N.M. - Not Meaningful

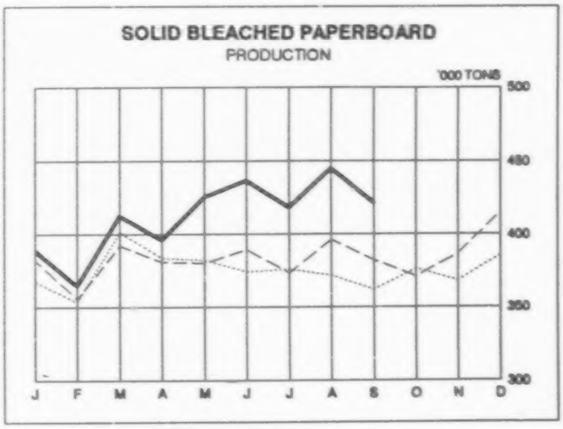

UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS


OTHER PAPER
PRODUCTION


UNBLEACHED KRAFT LINERBOARD
PRODUCTION


RECYCLED PAPERBOARD
PRODUCTION


SEMICHEMICAL PAPERBOARD
PRODUCTION


SOLID BLEACHED PAPERBOARD
PRODUCTION

1992 .... 1993 ------ 1994 ——

PULP, PAPER AND PAPERBOARD IMPORTS	YEAR 1993		July 1994		August 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood Roundwood (cubic meters)	0	0	0	0	0	0	0	0.0
Pulpwood Chips	753,442	26,727	21,712	1,414	32,614	1,816	448,652	-25.0
Total All Imports	19,529,543	10,413,422	1,747,468	932,670	1,845,229	1,019,742	20,434,128	4.7
Wood Pulp Total	5,412,797	1,860,163	479,205	185,947	480,502	205,578	5,653,387	2.4
Waste Paper	137,835	22,285	20,457	2,643	18,784	2,902	221,139	61.7
Other Fibrous Materials	8,143	4,425	1,844	707	1,733	827	14,618	112.9
Paper Board & Products Total	13,970,768	8,526,549	1,245,963	743,372	1,344,210	810,434	14,544,984	5.0
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	13,470,797	7,242,851	1,189,828	613,555	1,282,505	670,531	13,894,137	3.8
Paper Ppbd & Prds ex Cnst&WMB	13,830,567	8,478,849	1,232,771	738,229	1,331,338	805,621	14,397,399	5.0
Paper & Paperboard Only	13,330,595	7,195,151	1,176,636	608,413	1,269,633	665,719	13,746,552	3.8
Paper Total	12,250,220	6,753,643	1,081,536	565,855	1,156,656	617,768	12,527,054	2.7
Newsprint	7,783,906	3,593,326	658,510	274,341	704,389	303,729	7,698,696	-3.1
Printing & Writing	3,984,250	2,570,081	368,510	229,475	396,937	249,176	4,240,850	12.3
Uncoated Groundwood	1,733,551	1,001,611	153,019	84,398	181,670	99,622	1,877,323	15.7
Coated Print.& Impreg. Pap.	1,136,928	823,565	121,183	84,273	115,660	83,210	1,213,150	11.3
Uncoated Free Sheet	991,249	618,187	82,004	49,344	88,905	56,189	1,016,589	8.1
Thin (except Cigarette)	6,759	10,183	746	938	458	658	6,188	-18.3
Bristols	115,764	116,534	11,558	10,523	10,244	9,498	127,800	10.5
Total Pkg & Other Paper	399,411	527,120	45,177	55,331	45,076	57,563	478,983	19.5
Unbleached Kraft Paper	177,342	93,702	22,753	11,264	21,097	10,874	231,503	33.4
Other Pkg. & Indust. Paper	222,070	433,418	22,424	44,067	23,980	46,689	247,480	8.9
Tissue	82,653	63,116	9,340	6,709	10,255	7,300	108,525	41.0
Paperboard, Total	1,080,375	441,508	95,100	42,558	112,977	47,951	1,219,498	17.0
Kraft Paperboard	217,945	81,638	20,176	9,335	26,128	12,011	254,130	25.0
Semi-Chemical Corrugating	267,438	65,898	23,764	6,787	29,022	8,787	330,392	35.7
Other Paperboard	594,992	293,972	51,160	26,436	57,826	27,153	634,976	6.6
Convtd Paper&Paperbd Products	499,972	1,283,698	56,135	129,816	61,705	139,903	650,847	38.0
Paper Products, Total	355,638	1,007,231	35,353	96,500	38,814	103,663	417,674	24.3
Paperboard Products, Total	144,334	276,467	20,782	33,316	22,891	36,239	233,173	72.0
Wet machine Board	924	842	70	69	88	84	918	-6.7
Construction Paper & Board E	139,278	46,857	13,122	5,073	12,785	4,729	146,668	7.6
Notes								
Other: No Weight Avail. ($000)		170,733		17,471		18,455	171,347	5.6
Total Imports Incl. Other($000)		10,584,154		950,141		1,038,197	10,786,238	4.7

PULP, PAPER AND PAPERBOARD EXPORTS	YEAR 1993		July 1994		August 1994		Annual Rate YTD 1994 Tons (1)	% Change from same Period Last Year
	Tons	$000	Tons	$000	Tons	$000		
Pulpwood, Roundwood (cubic meters)	2,337,214	72,927	155,012	5,400	207,031	8,001	2,168,288	-8.4
Pulpwood Chips	5,248,132	423,288	488,505	36,701	540,130	44,399	5,458,869	9.2
Total All Exports	21,637,893	9,527,479	2,168,115	978,374	2,167,487	1,011,653	24,170,637	12.6
Wood Pulp,Total	6,499,065	2,369,414	620,424	260,906	609,732	265,505	6,743,472	2.3
Cotton Pulp and Other Pulp	124,656	83,505	6,597	5,365	7,998	6,651	100,962	-16.3
Waste and Old Paper	5,888,369	533,240	691,041	86,355	710,910	93,340	7,032,537	20.7
Paper, Board & Products,Total	9,125,803	6,541,320	850,053	625,748	838,847	646,158	10,293,666	15.3
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	7,521,376	4,237,078	726,766	422,737	698,385	417,864	8,653,301	17.3
Paper, Ppbd & Prod ex Cnst&WMB	9,099,320	6,528,476	846,799	624,344	835,336	644,513	10,267,440	15.4
Paper & Paperboard, Only	7,494,893	4,224,234	723,513	421,333	694,874	416,219	8,627,075	17.4
Paper, Total	2,586,993	2,066,927	282,214	218,980	257,613	210,788	3,030,563	18.3
Newsprint	1,019,146	496,060	89,858	46,002	70,115	36,728	1,015,815	6.1
Printing & Writing	1,120,439	980,400	148,669	115,270	137,781	113,453	1,492,172	29.6
Uncoated Groundwood	109,386	75,504	15,271	9,574	12,221	8,982	133,941	19.6
Clay Coated Paper	342,036	282,860	29,375	24,261	35,923	29,195	392,135	13.2
Uncoated Free Sheet	425,310	435,213	77,715	61,658	61,648	54,923	691,789	57.9
Other Printing & Writing	243,707	186,823	26,307	19,777	27,989	20,353	274,308	7.7
Total Pkg. & Other Paper	379,092	501,465	33,519	46,001	40,340	49,892	423,079	10.1
Unbleached Kraft	130,748	66,917	11,089	5,363	17,698	8,184	155,353	20.1
Other Pkg. & Indust. Paper	248,345	434,548	22,430	40,639	22,641	41,708	267,726	5.1
Tissue	68,315	89,002	10,167	11,707	9,377	10,716	99,497	44.0
Paperboard, Total	4,907,901	2,157,307	441,299	202,353	437,261	205,431	5,596,512	16.9
Solid Wood Pulp	4,645,501	2,000,622	417,680	188,553	411,003	191,295	5,316,339	18.0
Total Linerboard	2,995,058	931,801	259,796	86,615	233,926	81,686	3,396,129	17.5
Bleached Kraft Linerboard	14,552	10,840	273	157	2,650	1,459	7,496	-42.7
Unbleached Kraft Linerbd	2,980,506	920,961	259,523	86,458	231,276	80,227	3,388,633	17.8
Other Unbleached Kraft	505,984	255,357	40,684	21,523	39,164	20,843	520,932	-3.7
Other Bleached Kraft	1,025,864	776,502	107,284	77,618	121,384	83,553	1,259,943	28.8
Semi-Chemical Corrugating	118,595	36,964	9,917	2,797	16,529	5,214	139,334	46.8
Recycled Paperboard	262,399	156,685	23,618	13,800	26,258	14,135	280,173	-0.3
Convtd Paper&Paperbd Products	1,604,427	2,304,242	123,286	203,011	140,463	228,294	1,640,365	5.7
Paper Products, Total	750,263	1,469,052	56,886	128,145	66,798	143,367	748,181	9.2
Paperboard Products, Total	854,164	835,190	66,400	74,866	73,664	84,927	892,184	2.8
Wet Machine Board	596	400	14	14	484	180	1,115	29.2
Construction Paper & Board E	25,886	12,445	3,239	1,389	3,027	1,465	25,111	-3.0
Notes								
Other: No Weight Avail. ($000)		86,234		9,080		8,667	89,251	4.6
Total Exports Incl. Other($000)		9,613,713		987,454		1,020,320	10,851,882	12.6

SOURCE: Bureau of Census. U.S. Department of Commerce. E - Includes estimate of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES 1982 = 100	YEAR 1992	 1993	JUN 1994	JUL 1994	AUG 1994	SEP 1994	Annual Rate Y-T-D 1994	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	129.2	127.6	130.3	132.2	134.2	136.2	130.0	1.8
Pulp Paper & Products, ex. Building Grades & ex. Waste Paper *	129.4	127.7	129.1	129.9	131.8	134.1	129.1	0.9
Total Wood Pulp	118.9	104.3	112.4	114.1	122.0	124.0	110.3	4.0
Total Paper	123.2	123.8	121.8	123.6	124.7	127.9	123.2	-0.5
Writing Paper, exc. Newsprint	120.2	120.5	116.6	118.6	119.6	122.8	118.6	-1.5
Newsprint	109.9	112.1	113.4	114.8	116.5	121.8	113.3	0.7
Total Paperboard	134.3	130.0	134.0	137.8	142.7	145.3	135.3	4.1
Total Paper and Paperboard *	126.7	125.8	125.6	128.1	130.3	133.4	127.0	1.0
Converted Products	134.8	133.7	135.8	135.2	136.6	138.4	134.9	0.7
Waste Paper	117.4	117.7	198.1	270.1	273.8	261.0	184.1	52.9
All Commodities	117.2	118.9	120.4	120.6	121.2	120.9	120.1	1.0
Industrial Commodities	117.4	119.0	120.6	121.1	121.8	121.5	120.1	0.8

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by AF&PA

PAPER AND ALLIED PRODUCTS INDUSTRY
SALES, EARNINGS AND BALANCE SHEET DATA
1985 - 1994
(Millions of Dollars)

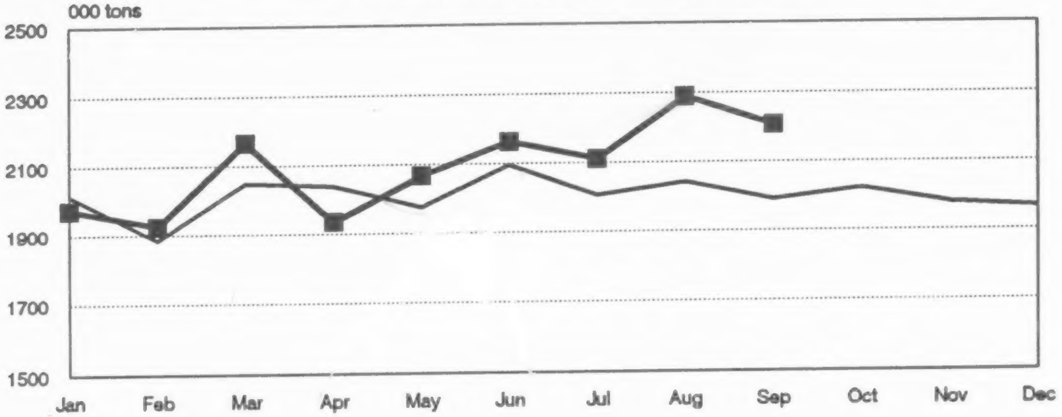
	Net Sales	Net Profit Before Taxes	Ratio: NPBT/ Net Sales	Taxes	Net Profit After Taxes	Ratio: NPAT/ Net Sales	Stock-holders Equity	Return on Equity (%)	Long-term Debt	Total Assets
1987 C	86,603	8,077	9.3	3,088	4,989	5.8	35,162	14.2	20,152	76,791
1987 R	95,576	8,860	9.3	3,338	5,520	5.8	39,217	14.1	22,417	85,279
1988 C	107,014	12,204	11.4	4,127	8,077	7.5	42,933	18.8	27,067	95,295
1988 R	107,221	12,210	11.4	4,129	8,081	7.5	42,940	18.8	27,180	95,444
1989 C	112,238	10,771	9.6	3,771	7,000	6.2	45,888	15.3	33,193	107,572
1989 R	113,573	11,365	10.0	3,819	7,047	6.2	45,642	15.4	34,543	109,038
1990 C	114,686	7,187	6.3	2,343	4,844	4.2	46,462	10.4	39,961	116,812
1990 R	115,623	7,236	6.3	2,353	4,882	4.2	45,951	10.6	40,720	117,335
1991 C	111,962	3,475	3.1	1,154	2,322	2.1	46,006	5.0	43,867	120,492
1991 R	122,969	3,573	2.9	1,409	2,164	1.8	48,642	4.4	47,436	130,748
1992 C	127,356	1,994	1.5	763	1,231	1.1	48,080	3.0	50,383	138,036
1992 R	127,562	1,929	1.5	732	1,196	1.8	47,604	4.4	50,709	138,246
1993 C	131,232	1,217	0.9	1,419	(201)	N.M.	44,689	-0.4	52,673	141,052
1993 R										
I Q	127,460	4,256	3.3	1,356	2,904	2.3	47,897	6.1	52,496	141,317
II Q	132,760	4,712	3.5	1,448	3,260	2.5	47,874	6.8	51,872	141,113
III Q RD	132,592	(4,856)	N.M.	2,128	(6,984)	N.M.	45,967	-15.2	51,923	139,977
IV Q RD	132,116	756	0.6	744	16	0.0	44,689	0.0	52,673	141,052
Total	130,110	4,484	3.4	1,402	3,082	2.4	44,689	6.9	52,673	141,052
1994										
I Q RD	131,796	4,496	3.4	1,712	2,784	2.1	45,819	6.1	54,501	144,806
II Q	140,576	6,048	4.3	1,908	4,140	2.9	47,233	8.8	54,671	147,410
Year to Date Total	136,186	5,272	3.9	1,810	3,462	2.5	46,526	7.4	54,586	146,108
CHANGE FROM YEAR AGO	4.7%	17.6%	N.M.	29.1%	12.3%	N.M.	4.1%	N.M.	3.6%	3.6%

NOTE: Quarterly data are at annual rates. C=Consistent with the previous year's final total. R = Revised to reflect changes in the number of companies classified to this industry. N.M. - Not Meaningful. RD - Revised Data.

SOURCE: Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Bureau of the Census, U.S. Department of Commerce.

this tonnage originating from Canada. Imports of uncoated groundwood from Canada held flat through the first eight months of 1994, while shipments to the U.S. from other countries leapt 26%, bringing the overall groundwood import gain to 5.4%. End-use markets that have significantly increased their consumption of uncoated groudwood this year include business forms converters and the commercial printing sector.

Printing-Writing Paper Shipments

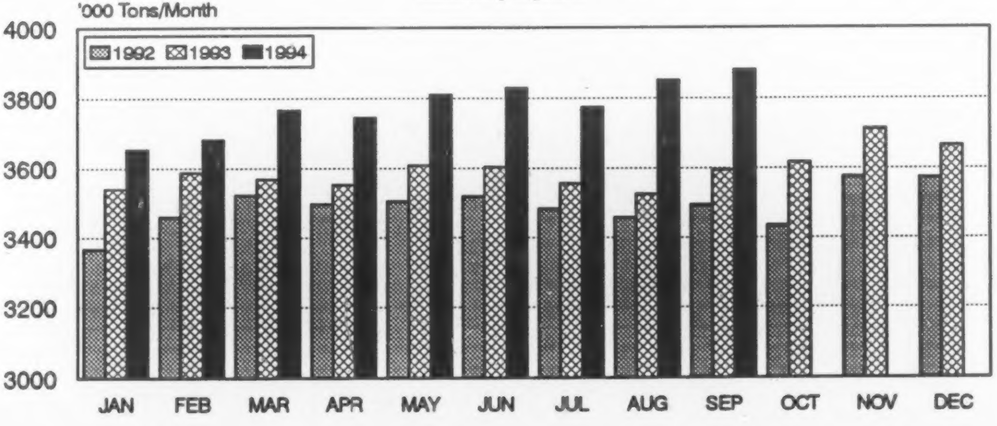


Shipments of coated papers were up 3.5% through September, reflecting a 6.4% increase in coated free sheet paper shipments and a 1.0% gain in coated groundwood shipments. The magazine end use market registered a particularly strong increase in coated free sheet paper consumption.

Shipments of uncoated free sheet paper advanced a solid 4.1% so far this year, while new supply of these grades grew a more moderate 2.4%. The disparity reflected the fact that exports surged by 169,000 tons (58%) relative to year ago during the first eight months of 1994, while imports expanded by a more moderate 51,000 tons (8%).

Paperboard: Seasonally-adjusted paperboard production rebounded 2.0% from its July lull to reach a new monthly high in August and then grew an additional 0.8% in September to 3.88 million tons. Production of paperboard was up 8.6% versus year ago in the August-September period and by 5.8% through the first nine months of 1994. Containerboard and boxboard contributed evenly to paperboard production growth so far this year.

TOTAL PAPERBOARD PRODUCTION
seasonally adjusted



Containerboard has continued to derive strength from strong domestic economic activity and from the firming of overseas markets for linerboard. U.S. manufacturing output, the principal driving force behind box demand, was up a strong 6.5% during the first nine months of 1994. Box shipments, responding to this manufacturing sector strength, exceeded year-ago volume by 6.4% in the third quarter of 1994 and were up 5.6% through September.

Production of linerboard for export matched year-ago levels in the third quarter after leading by double digit amounts earlier in the year. For the year thus far, production for export is up 14.1%.

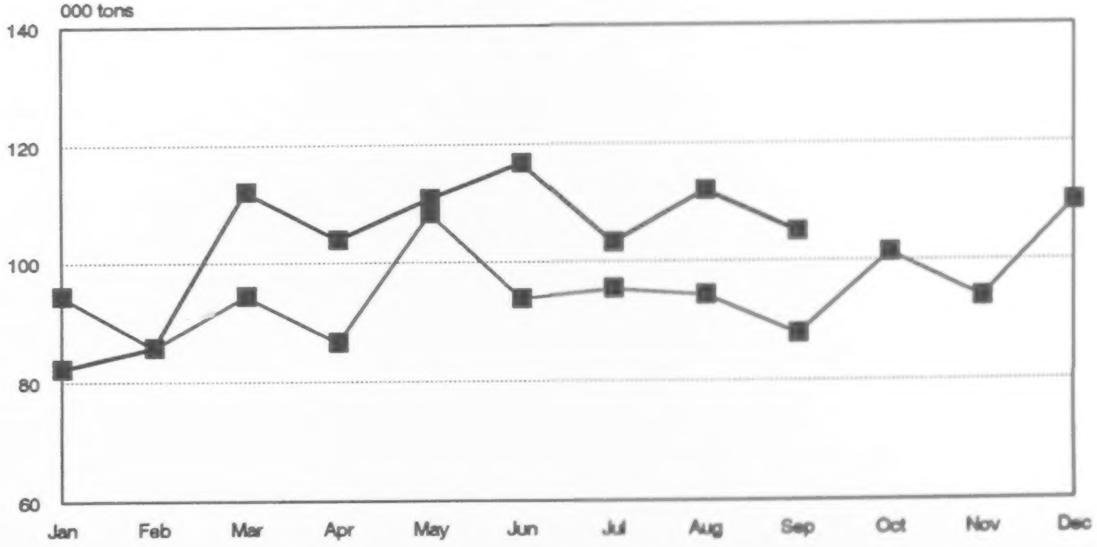
Boxboard production has been gaining momentum relative to year-earlier levels. For instance, while total boxboard production exceeded its year ago performance by 2.6% through April, it was up by a much stronger 5.8% on a cumulative basis through September.

Boxboard production for domestic use was up 4.2% through the first nine months of 1994. For the folding boxboard grades, the cumulative year-to-date gain measured 4.0%, with all of the impetus coming from the bleached and unbleached kraft folding boxboard segments. Recycled folding boxboard production for domestic use was off 0.9% through the first nine months of 1994.

Production of milk carton and food service board for the domestic market exceeded year-ago levels by 6.1% through September. Strong advances were posted by milk carton and cup stock, but the plate, dish and tray category lagged year ago levels as did export-related production of milk carton stock.

Boxboard production for export, which is portrayed by the following graph, was up almost 11% in the January-September period. As is also the case with containerboard production for export, growth differentials could narrow later this year since exports in 1993 ended on an upswing.

Boxboard Production for Export



Sales and Earnings

Second quarter sales and earnings for the paper and allied products companies were released by the Commerce Department in its Quarterly Financial Report for Manufacturing and Trade Corporations. Summary data for 1994 and earlier years are presented in the table on the bottom of page 10.

Census reported industry net sales at $35.1 billion, up 4.3% compared with the second quarter of 1993. More notably, net profits, both on a before and after tax basis, were up considerably compared with the first half of 1993 and the previous quarter. These annualized levels show a strength not witnessed since 1990, but are still lagging peak years of 1988 and 1989.

In addition, third quarter sales and earnings for the 29 publicly traded paper and allied products companies also indicated the underlying strength of the industry's recovery (see table below). Third quarter sales were up over 11% versus year ago, and 4.7% year-to-date. These figures reflect the recent rebound experienced in shipments of the printing and writing grades and the market pulp segment during the third quarter. and, along with continued strong demand in the paperboard segment, have provided continued improvements to the bottom line for paper and allied products companies. More importantly, after-tax profitability improved significantly during the third quarter as net earnings soared to nearly $625 million, compared with a net loss of more than $93 million during the same period last year (excluding one company's extraordinary goodwill charge of $1.9 billion during the third quarter of 1993). Net earnings were a solid 56% above second quarter 1994 figures.

Paper and Allied Products Companies
Sales and Earnings
(29 Companies)

	Sales			Net Profit After Taxes *			Net Profit/Sales	
	1994 (Thousand Dollars)	1993 (Thousand Dollars)	94/93 % Change	1994 (Thousand Dollars)	1993 (Thousand Dollars)	94/93 % Change	1994 %	1993 %
First Quarter	21,670,469	21,620,150	0.2%	199,697	344,685	-42.1%	0.9%	1.6%
Second Quarter	23,010,438	22,395,277	2.7%	400,377	286,476	39.8%	1.7%	1.3%
Third Quarter	24,411,560	21,947,962	11.2%	624,741	(1,993,348)	N.M.	2.6%	N.M.
Fourth Quarter		22,319,125			(178,108)			
Year to Date	**69,092,466**	**65,963,388**	**4.7%**	**1,224,815**	**(1,362,187)**	**N.M.**	**1.8%**	**N.M.**

* Includes effects of accounting changes and extraordinary items (when provided on a quarterly basis).

An International Perspective of Kraft Linerboard Exports

U.S. kraft linerboard exports rose at an average annual rate of 2.9% from 1983 to 1993 but exhibited sharp volatility during that ten year span. For instance, linerboard exports soared 17% in both 1990 and 1991 and then posted consecutive declines measuring 5.5% in 1992 and 7.1% in 1994. The Census Bureau reports that U.S. kraft linerboard exports rebounded 17.5% relative to year ago levels during the first eight months of 1994.

A recent report prepared by AF&PA's International (Paper) Department highlights 1993 linerboard market developments. It points out that exports of linerboard from the ten major supplying nations listed by the table below declined 1.7% in 1993, following a fractional reduction of 0.3% in 1992. Economic weakness in Europe and the increased penetration of recycled-fiber based linerboard appear to have contributed to those declines.

Exports of Kraft Linerboard by Major Supplying Countries

	Metric Tons		Percent Change	
	1993	1992	1993/92	1992/91
United States	2,717,106.0	2,925,161.0	(7.1)	(5.5)
Sweden	1,215,549.0	1,173,080.0	3.6	5.3
Canada	483,174.0	454,543.0	6.3	0.6
Brazil	347,610.0	410,045.0	(15.2)	14.8
Finland	242,745.0	193,970.0	25.1	9.4
France	194,595.0	170,697.0	14.0	0.4
Portugal	192,011.0	217,167.0	(11.6)	9.8
Austria	140,279.0	106,731.0	31.4	(8.4)
Norway	117,154.0	102,296.0	14.5	9.9
Spain	41,597.0	33,824.0	23.0	7.7
Total	**5,691,820.0**	**5,787,514.0**	**(1.7)**	**(0.3)**

U.S. kraft linerboard exports fell more sharply than the ten nation total, causing the U.S. share to ebb from 53.3% in 1991 to 50.5% in 1992 and 47.7% in 1993. The loss of U.S. market share may have partly reflected the Nordic currency devaluations of late 1993. However, this year's strong rebound in U.S. kraft linerboard exports suggests that market share is being regained.

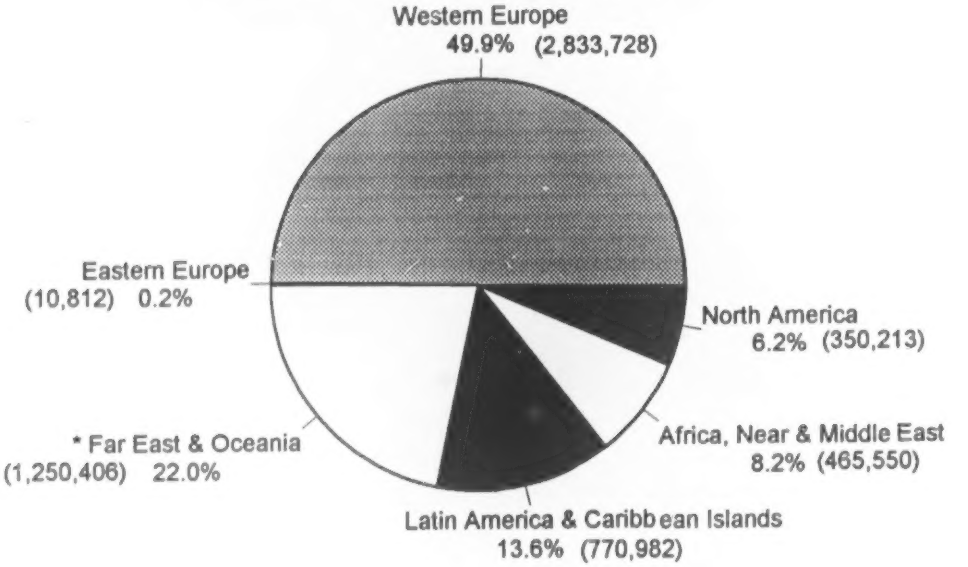
The ten nations listed in the table provided 2.8 million tonnes of kraft linerboard to Western Europe in 1993, which accounted for nearly 50% of their total export volume. The U.S. share of the Western European market declined from 26.3% in 1992 to 22.7% in 1993. By contrast, the Nordic nations increased their relative share by 2.5 percentage points to 47%. Brazil's share of this market, which posted impressive gains in 1992, declined to 6.9% of the market in 1993, largely owing to increased domestic demand. In addition, cross-border shipments (which exclude Nordic shipments) from the continental European countries increased from 15.3% to 19.4%.

Environmental pressures related to packaging continue to be an important issue in Western Europe, particularly in Germany. The German Packaging Ordinance's impact on containerboard demand is still uncertain, given that box usage has also been affected by changes in economic activity. The European Union's proposed Directive on packaging is still in its proposal state, but is being watched closely.

In the Far East market (which includes Japan and the People's Republic of China), the U.S. is still the dominant supplier of kraft linerboard, accounting for 76% percent of the 1.25 million tonnes exported by the 10 major suppliers in 1993. While kraft linerboard exports to the People's Republic of China were below expectations in 1993 given the country's economic boom, it is important to note that the majority of exports to Hong Kong -- which are accounted for separately -- are subsequently transhipped to China.

In addition, the 10 nations exported a combined 1.6 million tonnes to the "Rest of the World", which represented approximately 28% of total kraft linerboard exports. The U.S. also maintained a dominant share here, accounting for 70% of the total, followed by Canada, which accounted for 12.6%. The chart below outlines the distribution of kraft linerboard exports from the 10 major supplying nations.

DISTRIBUTION OF KRAFT LINERBOARD EXPORTS FROM TEN MAJOR SUPPLYING NATIONS - 1993



Percent and Metric Tons

* Includes the Peoples' Republic of China

A more comprehensive analysis of 1993 kraft linerboard exports - including detailed data tables and graphs as well as a review of foreign markets - can be ordered from AF&PA's International (Paper) Department at (202) 463-2443. The report, free to AF&PA members, is available to non-members for $175 (domestic)/$180 (overseas).

A1630-5

INDUSTRY FACT SHEET
MONTHLY STATISTICAL SUMMARY INSERT
VOL. 72, NO. 10
OCTOBER, 1994

	(P) SEPTEMBER	(R) AUGUST	SEPTEMBER	NINE MONTHS		% CHANGE YR TO DATE
	1994	1994	1993	1994	1993	1994/1993
PAPER GRADES						
Newsprint	561	598	570	5,236	5,292	-1.1
Printing & Writing	2,207	2,288	1,991	18,829	18,093	4.1
Uncoated Groundwood (s)	175	164	154	1,438	1,332	8.0
Coated Groundwood (s)	389	404	348	3,320	3,286	1.0
Coated Free Sheet (s)	406	416	338	3,134	2,946	6.4
Total Coated Paper (s)	795	820	686	6,454	6,232	3.6
Uncoated Free Sheet Paper (s)	1,093	1,162	1,011	9,703	9,319	4.1
Thin Paper (s)	10	13	15	107	127	-15.3
Cotton Fiber Paper (s)	14	14	14	120	121	-0.1
Bleached Bristols (s)	119	114	110	1,005	963	4.4
Tissue Paper	512	531	481	4,538	4,477	1.4
Total Pkg & Other Paper	397	409	387	3,522	3,450	2.1
Unbl. Kraft Paper (s)	193	192	188	1,725	1,700	1.5
Bl. Kraft Paper (s)	33	38	35	302	299	1.1
Specialty Pkg. Paper	55	60	54	486	480	1.2
Special Industrial Paper (s)	116	118	111	1,009	971	3.9
TOTAL PAPER	3,676	3,826	3,429	32,125	31,313	2.6
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1,919	1,921	1,753	16,828	15,962	5.4
Unbleached Kraft Linerboard *	1,780	1,796	1,622	15,632	14,813	5.5
Other Unbl. Kraft Paperboard	139	124	131	1,196	1,149	4.1
Semichemical Paperboard	497	512	464	4,444	4,239	4.8
Bleached Paperboard	421	445	383	3,709	3,416	8.6
Recycled Paperboard	1,032	1,066	983	9,109	8,607	5.8
TOTAL PAPERBOARD	3,869	3,943	3,584	34,090	32,224	5.8
TOTAL PAPER & PAPERBOARD	7,545	7,769	7,013	66,215	63,537	4.2

(000 SHORT TONS)

	SEP	AUG	SEP	NINE MONTHS		%CHANGE YR TO DATE
U.S. MARKET PULP SHIPMENTS	1994	1994	1993	1994	1993	1994/1993
Total	699	732	664	6,361	6,174	3.0%
Total Sulfate	678	715	653	6,213	6,037	2.9%
Bleached Sulfate	653	697	639	6,028	5,889	2.4%
Softwood	390	427	398	3,558	3,556	0.1%
Hardwood	263	270	242	2,470	2,333	5.9%
Unbleached	24	18	14	185	148	25.3%
Sulfite Blch & Unblch	21	17	12	149	138	7.8%
CONSUMPTION OF FIBROUS RAW MATERIALS AT PAPER & PAPERBOARD MILLS						
Wood Pulp	5,329	5,453	5,104	47,683	46,407	2.7%
Recovered Paper	2,442	2,530	2,395	21,905	20,953	4.5%

* Includes all unbleached kraft paperboard exports
(s) - Shipments
R - Revised
P - Preliminary

AMERICAN FOREST & PAPER ASSOCIATION
1111 19th Street, N.W.
Washington, D.C. 20036

INDUSTRY DATA November 7, 1994	1992	1993	1994	1994 R	1994 P	Ann. Rt. ytd '94	% Chg. 94/93
PAPER & PAPERBOARD -- Tons (000)			JUL	AUG	SEP		
Total Production (AFPA)..........: excluding :.....................	82,958	84,957	7,380	7,769	7,546	88,287	4.2
Total Seasonally Adjusted.........: construction :.....................			7,304	7,515	7,568	88,170	4.2
Imports (including Products).......: and wet :.....E.....................	12,406	13,831	1,233	1,331	1,254	14,469	5.7
Exports (including Products).......: machine :.....E.....................	8,946	9,099	847	836	866	10,281	15.2
Apparent Consumption...............: grades :.....E.....................	86,418	89,689	7,890	8,011	7,956	92,358	3.3
Paper Production % Tonnage Capacity.....................	91.1	91.8	90.5	96.6	96.0	92.7	
Paperboard Production % Tonnage Capacity.....................	94.4	94.8	96.7	99.2	100.7	96.3	
PAPER, PAPERBOARD & PRODUCTS			JUL	AUG	SEP		
Imports.....:including Construction and :.....E.....................	12,543	13,971	1,246	1,344	1,267	14,618	5.7
Exports.....: WMB Grades (excl. HPB) :.....E.....................	8,971	9,126	850	839	869	10,308	15.2
Market Wood Pulp Shipments - Tons (000).....................	8,291	8,396	759	732	698	8,460	3.1
Wood Pulp Imports - Tons (000).....E.....................	4,882	5,320	471	473	467	5,581	3.9
Wood Pulp Exports - Tons (000).....E.....................	6,421	5,951	589	566	538	6,108	3.6
Raw Materials Consumption - Tons (000)							
Wood Pulp...............:consumption for:.....................	56,873	62,356	5,445	5,453	5,329	63,577	2.7
Recovered Paper.......:constuction & :.....................	25,336	27,995	2,377	2,530	2,442	29,207	4.5
Total...............: WMB grades :.....................	80,168	90,351	7,822	7,983	7,771	92,784	3.3
Pulpwood Consumption Cords (000) Amer. Pulpwd. Assn. *	104,598	105,275	9,066	9,130	8,579	106,481	1.2
Employment (000)			JUL	AUG	SEP		
Paper and Allied Products..RS.......Total.....................	687.3	689.4	688.1	687.3	683.4	683.5	-1.0
Pulp, Paper and Board Mills..RS.....Total.....................	238.8	235.4	231.9	230.4	227.5	230.5	-2.5
Avg. Hourly Earnings of Production Workers ($)							
Paper and Allied Products..RS.....................	13.07	13.41	13.82	13.79	13.96	13.7	2.8
Pulp, Paper Mills......RS.....................	16.19	16.71	17.24	17.19	17.46	17.1	3.0
Paperboard Mills.......RS.....................	16.24	16.77	17.27	17.29	17.82	17.2	3.1
New Plant & Equip. Expenditures, Paper & Allied Prod.			IVQ '93	IQ '94	IIQ '94		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	10.53	10.31	10.46	10.01	10.36	10.87 y	1.3
Index of Output per Man-Hour (1987=100)			JUL	AUG	SEP		
:in Pulp, Paper:...Production Workers.....................	113.2	117.5	121.5	126.4	126.3	123.1	5.5
:and Board Mills:...All Employees.....................	112.9	117.2	122.2	127.0	127.5	123.6	6.3
Paper & Allied Products (Million $)							
Industry Shipments (Dept. of Commerce)*	131,282	129,407	11,347	11,739	11,811	134,036	3.5
Pulp, Paper and Paperboard*	53,442	52,111	4,480	4,695	4,757	53,053	1.5
Inventories (End of Period) - Total Industry*	13,387	13,487	13,538	13,580	13,560	13,550	-0.4
Pulp, Paper and Paperboard*	5,535	5,783	5,664	5,606	5,528	5,528	-4.8
Paper & Allied Products Companies (Million $)			IVQ '93	IQ '94	IIQ '94		
Sales (Corporations Only).....................	127,562	131,232	33,029	32,940	35,144	136,186	4.7
Earnings (Corporations Only).....................	1,213	(201)	4	696	1,036	3,462	12.3
Depreciation (Corporations Only).....................	6,974	7,345	1,837	1,895	1,906	7,802	3.6
Net Worth (Corporations Only).....................	47,520	47,874	44,689	45,819	47,233	47,233	-1.3
Price Indexes (Bureau of Labor Statistics) 1982=100			JUL	AUG	SEP		
Pulp, Paper & Products, ex. Building Grades.....................	129.4	127.6	132.2	134.2	136.2	130.0	1.8
Wood Pulp.....................	118.9	104.3	114.1	122.0	124.0	110.3	4.0
Waste Paper.....................	117.4	117.7	270.1	273.8	261.0	184.1	52.9
Paper.....................	123.2	123.6	123.6	124.7	127.9	123.2	-0.5
Paperboard.....................	134.3	130.0	137.8	142.7	145.3	135.3	4.1
Paper Demand (Indexed: 1987=100)			JUL	AUG	SEP		
Total Paper Production *.....................	110.8	112.9	114.7	119.1	119.9	116.1	2.8
Paper New Supply *.....................	102.5	106.5	108.1	113.8	112.6	108.9	2.1
Demand Indicators - (Weighted Average) *.....................	101.0	105.6	109.6	109.7	109.6	108.6	3.0
Production of Nondurable Goods..RS........*....(21.2%).....................	105.6	108.7	113.6	114.0	114.0	112.4	3.5
Disposable Income..............................*....(23.9%).....................	110.9	112.6	116.3	116.6	117.1	115.8	3.2
Total Printing and Publishing..RS..........*....(54.9%).....................	99.1	101.4	105.1	105.0	104.6	104.0	2.7
Paperboard Demand (Indexed: 1987=100)			JUL	AUG	SEP		
Total Paperboard Production *.....................	111.9	115.2	120.9	123.4	124.4	121.0	5.8
Production for Domestic Use .....E.....................	109.6	113.5	119.6	122.2	123.9	118.7	5.0
Demand Indicators - (Weighted Average) *.....................	106.5	110.4	116.1	116.9	116.6	115.1	4.7
Production of Consumer Goods..RS.........*....(62.06%).....................	105.9	108.8	113.2	113.7	113.3	112.2	3.5
Production of Equipment..RS...................*....(5.75%).....................	111.3	118.6	128.2	130.0	130.6	127.1	8.1
Production of Materials..RS...................*....(32.19%).....................	107.8	112.0	119.5	120.6	120.6	118.5	6.5
Market Data			JUL	AUG	SEP		
Newsprint Demand (SAAR) - Tons (000)...R.....E.....................	12,620	12,742	13,095	13,382	13,514	12,798	-0.4
Newspaper Pub. and Printing Empl. Total(000).....................	451	451	453	454	453	452	0.2
Magazine Advertising Pages (PIB, Inc.)	170,303	171,262	11,077	11,866	17,319	169,577	19.9
Wholesalers Sales and Inventories (Million $)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales.....................	54,172	58,847	5,098	5,951	N/A	N/A	N/A
Inventories (End of Period).....................	5,569	6,181	6,704	6,642	N/A	N/A	N/A
Fibre Box Data (Fibre Box Association)			JUL	AUG	SEP		
Fibre Box Shipments (Million square feet).....................	335,696	353,756	31,311	33,499	31,878	371,908	5.6
Container'bd Inventory at Mill & Plant (000 Tons).....................	2,918	2,501	2,350	2,298	2,240	2,240	-12.9
Retail Trade (Billion $)							
Total Retail Sales *.....................	1,959	2,080	185	187	188	2,212	7.5
Nondurable Goods Stores Sales *.....................	1,252	1,296	113	113	113	1,342	4.0
General Economic Data			JUL	AUG	SEP		
Total Industrial Production (Index 1987 = 100)*.....................	106.5	111.0	117.9	118.7	118.7	116.8	5.8
Producer Prices (All Commodities, Index: 1982=100).....................	117.2	118.9	120.6	121.2	120.9	120.1	1.0
Consumer Prices (All Items-Urban Con.) (1982-4=100).....................	140.3	141.9	148.4	149.0	149.4	147.8	5.0
Gross Domestic Product - Annual Rate (Billion$) *			IQ '94	IIQ '94	IIIQ '94		
G.D.P. or Expenditure - Current $.....................	6,020.2	6,343.3	6,574.7	6,689.9	6,689.9	6,651.5	4.9
G.D.P. or Expenditure - 1987 $.....................	4,979.3	5,134.5	5,261.1	5,314.1	5,314.1	5,296.4	3.2
Paper & Paperboard Consumption - Pounds per Capita	677	694				707	

N.M. = Not Meaningful. R = Revised RS = Revised Series E = Current month est. by AFPA. Y = Full year 1993. * = Seas. Adj. N.A. = Not Available. SAAR = Seas. Adj., ann. rate.